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FIRST LADY HILLARY RODHAM CLINTON REMARKS AT U.S. CONFERENCE OF MAYORS WINTER MEETING CAPITAL HILTON HOTEL WASHINGTON, D.C.

MRS. CLINTON: (Applause.) Thank you. Thank you very much. Thank you so much. Thank you, Deedee (ph), for that kind introduction. Thank you for your leadership and the work that you have done on behalf of issues that are critical to young people and the future of our cities.

I am very pleased to join all of you. I know that you had a meeting searlier today at the White House with my husband. I know that not just because I knew what was on his schedule, but I could hear you. (Laughter.) The enthusiasm and the energy that was on display in that meeting just permeated the entire White House complex. And I think that's a good sign for the feelings that we have about what is happening in our cities, their promise, their growth. And it is very exciting for me to meet with the people who are leading the effort on behalf of the cities of our country. I also will certainly take to heart Deedee's (ph) offhanded suggestion that I join you again. I understand after Mayor Morales' description of what you're going to be doing in New Orleans, that you're going to be deluged with requests for people to be part of that meeting, and to enjoy some of that good New Orleans hospitality.

You know, the time in which we meet here in 1999 is really an opportunity for us to take stock of where wee are as a nation, the progress that we've made to celebrate it, to be grateful for it, but to look forward as well to the kinds of cities, the kind of country we want to have in the 21st century.

The work you do every single day on behalf of your cities is such that I know you're thinking about not just the present, although that is very demanding of your time, but what your contribution will be in your service to ensuring that our cities -- your city -- has the kind of future it deserves to have for the people who live there.

There are many who have worked with you who have really paved the way. But you are serving at a unique moment in history, and your presence here in our capital is a strong reminder that America needs its cities, and our cities need a strong partnership with the federal government. That is what my husband and his administration have tried to do, and I'm grateful for the support that you have given to those efforts.

Many officials from the administration have already addressed you and have spent time with you. But this partnership that has been forged between the administration and the cities of our country is one that must last far into the next century. It has produced tangible benefits for the people you serve, and we know it has produced benefits for the quality of our life together.

Many, many people have worked very hard with the president to create this partnership. But there are two that I want to recognize, and you know them well because of the work that

you have done with them. And that is Mickey Ibarra and Lynne Cutler (ph). I thank them very much for their work. (Applause.)

I was also pleased to be announced into the room by Mayor Webb, who said to me "You know, I'd love to stay but I've got important business. My Broncos are in the Super Bowl," and he had to leave to catch a plane, and I bid him Godspeed, because after all, first things first. And so he is on his way.

I also am very grateful to all of you for the U.S. Conference of Mayors Award to spotlight outstanding city arts programs for at-risk youth. I understand that you had a gala last night and I understand that Mayor Riley (ph) was recognized, as well he should be for his leadership.

But I have been in many of your cities visiting many programs that have used the arts for many purposes. Certainly we now understand -- perhaps better than we did even 10 years ago -- how the arts can be an engine for economic development and opportunity. And we certainly understand better today how the arts can have an extraordinary impact on the future of young people, particularly those who are at-risk.

It is up to all of us to ensure that our schools and our cities provide opportunities for children from all backgrounds to both appreciate the arts but also to have their talents tapped into, so that they can make a contribution. We recently recognized a number of city programs around the country at a celebration in the White House, and story after story was told about how the work that was being done in these arts programs that many of you have supported and sponsored was making a difference between lives of hopefulness and lives of despair.

Young people learn differently. Not everyone learns the same way, and many young people have talents that would otherwise go untapped if they were not exposed to an arts program in the school, in an afterschool program and in a summer program. And so I want to thank you for making the arts once again central to the life of our cities and the life of our young people in those cities.

After all, what is a city but people? And throughout our history, we have seen cities come and go, we have seen them reach great heights, we have seen them fall back and be lost forever. But what we know is that hardworking citizens, citizens who have a vision of the future, have created the great cities of our nation and the world.

And within those cities, it is vibrant neighborhoods that really create the life that we look to when we think of a city. And you understand better than many of us in our country today the enormous challenges that cities face as we approach the 21st century. But you can also take great credit -- and I hope you will -- for what you have achieved in the last several years.

I saw some of you wearing a button about our cities being safer. They are safer, and that is one of the tangible results of the partnership between a president who understood what needed to be done to give you the tools and resources you required to meet the most basic need of any city -- making sure our citizens were safe from crime and violence. I want to thank you, because when we see those statistics come out, as we have now for five years in a row, that crime and violence is going down nationwide, we know that it is because of the hard work in the cities and neighborhoods of America taking the tools that this president provided, that is really making the difference. So I want to congratulate you and thank you.

I also want to thank you for putting education back in the very middle of our nation's agenda. You are making extraordinary progress in turning some of the toughest big city systems around, and you're making progress in continuing to work to ensure that medium-sized and smaller cities have the schools they need to prepare our children for the 21st century.

The president's initiative to put 100,000 new teachers in the classrooms really mirrors the initiative to put 100,000 police on our streets.

And they come from the same impetus -- that we understood very clearly when Bill ran for president that our police were both outmanned and outgunned, that we had to have more police, we had to have tougher gun laws, we had to have a Brady Law, we had to once again right the imbalance that existed between criminals and law enforcement.

Well, in our classrooms, we have too many children in too many classrooms overwhelming our teachers. It is very difficult when you have, as we do in many city systems -- and not just our giant cities, but medium-sized and even smaller cities -- children coming into the classroom for whom English is not only not their first language, but who are part of classes where you have 10, 12, 50, 100 different languages and dialects represented.

We know that we can only deal with this problem at the classroom and school level, and part of what the president's initiative is intended to do is to give you again the tools and the resources to make a difference in your school systems. We have to close the education gap if we expect our cities and our nation to thrive into the next century, and that means ensuring that all children have access to a quality education. And that's impossible to imagine achieving if there are so many children in the early grades that they cannot get the attention they need to get their feet solidly on the ground when it comes to learning English, reading well, being able to move forward in the education system.

You've also done a tremendous job in revitalizing our urban centers with economic opportunity, and unemployment is the lowest it's been. And we have certainly made good on the promise that was put forward to the cities that we would work hand-in-hand with you to make sure welfare reform was achievable. And we've got a lot of good success stories to point to. But I know and you know that there's still a lot of hard work to do. When it comes to welfare reform, we have to remain vigilant. We have to be creative and flexible in determining what works best. And because of the extraordinary economic opportunity that's been created in the last six years, we have taken care of large numbers of people who could be moved into work and we've had some very gratifying results. I was recently talking with one of the CEOs who's part of the president's welfare to work effort, and he told me how surprised he was at how successful they've been in moving people into jobs who were coming off of welfare. But you know and I know that there is a group of people for whom the easy part is over; there's a lot of tough work ahead to meet the multiple needs of people -- both medical needs, health needs, psychological needs, education and training needs -- that we're still going to have to try to find better ways of addressing.

You also know that despite the extraordinarily good news about unemployment, there are pockets of unemployment that are still far too high in our cities, people who have not yet been brought into the mainstream of the economy, and we have to do all we can to make

that a reality as well. And in the president's budget there are some very creative ways of addressing that remaining problem of how we make sure that prosperity is spread to every American in every part of our land in every city, no matter what its size. (Applause.)

We also have unfinished business when it comes to health care. And often the cities are on the front lines of determining what to do about this. Your partners in the counties are also often left with trying to figure out how we will cover people who have no insurance. And there is a lot of work that we're still going to need to do. But certainly making it possible for all of our children to have insurance coverage through the president's initiative, the children's health insurance program, so-called CHIP, is very critical to the health of the cities and their budgets and the counties as well. Because we know that there is a lot of uninsured, uncompensated care that is going to end up somewhere, or else we will begin turning people away.

Now, county hospitals, city hospitals have been the last resort for many people who have nowhere else to go. In the president's budget, we're also going to try to put in some funding that will help create more of a network among public health centers, city and county facilities, charitable institutions so that we can have a true health-care safety net. But you will have to be part of making sure that the proposals that are put forth are practical and workable, and we will need your guidance on that.

If we look at this whole range of issues, whether it is crime and violence going down so our neighborhoods and our parks are finally thankfully getting safer, or whether it is education and the challenge we face with our children, unemployment and economic opportunity in every poor neighborhood, in every Indian community - - everywhere Americans need that extra enterprise and assistance -- whether it is continuing the work on welfare reform, whether it is also focusing on health care so we are sure that we have a financially stable system that truly provides quality health care to all Americans, this is the kind of family agenda that is worthy of the American people that the president outlined in his state of the union. It is an agenda that is worth fighting for and will bear results on behalf of our people.

But you know better than most that if we just pass programs, even as challenging as it may be to pass some of the programs that are part of the president's family agenda and his agenda for the cities and livable communities, that still really falls on your shoulders to make sure that whatever is passed in Washington is implemented effectively at the local level. You are the ones that truly make those programs work, that bring communities together, that create systems of consensus-building that will enable us to put into action what we all dream of, which is to continue building on the progress that we have seen made in the last six years.

I think we have a special opportunity to focus our communities on the kinds of places we want them to be in the years to come, because we do stand at this unique moment. We're at the end of the century, we're at the beginning of a new millennium. Now, if we do nothing about that, it will come and go without any of our interference or even acknowledgment. The century will end, the new millennium will begin.

But I think it gives us a tremendous opportunity to take stock of who we are, where we are, and where we want to be. People around the country are beginning to really get excited about this end-of-century, end-of-millennium time period. Certainly there are reasons why we would have this occurrence commemorated, whether we did it on a community basis or

not. There are going to be millennium products, we've got the Y2K issue we have to deal with. Some people are already planning their New Year's Eve parties and the like.

But part of what we hope that the White House Millennium Council can work with you to achieve is to really take this time and do more with it, to really focus on the kind of people we want to be and the kind of cities we want to have. What do we treasure in our communities? What do we want to preserve for future generations? What values do we want to bring forward into the next century? How can we define ourselves as citizens of cities, states, of nations, of world?

I think people are expecting something to happen, so why not harness this millennium moment and the spirit that it engenders for the common good? That was really the question that the president and I asked ourselves more than a year ago, because we saw this as a great opportunity. So we began working on it in the White House, and we put together the White House Millennium Council. And we adopted the theme "Honor the Past, Imagine the Future."

And the president has invited states and communities -- non- profit, Indian communities, corporations, public agencies -- all citizens to participate in efforts that strengthen our democracy, improve our communities, and enable us to give lasting gifts to the future.

We have found that one of the best ways to imagine the future is to preserve what we value of the past, the artifacts and historical sites, the documents that really tell the story maybe of your city, of your state and certainly of our country.

Last year the president proposed and Congress approved a \$30 million Millennium Fund to save America's treasures. And that is an effort that maybe you've read about. I've been in some of your cities and in many smaller communities in the last year talking about it and trying to bring attention to some of the treasures that are literally in every corner of our country. I've had a wonderful time doing that. And everywhere I've been, I've met people who understand how critical it is to use this time to save what we value so that we do have values to bring into the future.

Our partners in this effort are the National Trust for Historic Preservation and the National Park Foundation.

Each of them have different responsibilities and different obligations under their various missions, but both are committed to helping all of us, working with the White House and working with you, to really bring attention to the treasures that we have that are worth saving.

And I was delighted because we had told the Congress that if they would appropriate a federal share that we could use in this effort we would match it. And I kind of took a big gulp when I said that. But at the end of this year, we'd already raised more than \$30 million in private funds to go with the public funds that the Congress had appropriated, because there is a great outpouring from individuals, from corporations, from foundations and other institutions that recognize the significance of this moment to help save America's treasures.

What I have found in the places I have visited that a lot of these treasures don't just offer some kind of dry history lesson, but really give us a glimpse into our future as well. Visiting Thomas Edison's laboratory in New Jersey, for example, you could see the spirit of ingenuity that has fueled progress in America for centuries. Stepping inside Harriet Tubman's home in Auburn, New York, I could understand better the legacy of courage that she brought to the journey she made time and time again to bring slaves to freedom.

As I toured the Breed Street Shoal (ph) and the wonderful Los Angeles Theater in Los Angeles, I could once again sense the civic pride that has served generations of immigrants and an earlier community in Los Angeles in an area that is now revitalizing and for which the arts will be a prominent part in that revitalization.

These are not only individual memories -- they are part of our national story. So I'm pleased that once again this year, the president's budget will request another \$30 million to save America's treasures. And he's also recommending that funds be appropriated to ensure that the photographs and the paintings and the documents in our federal collection are available to all citizens on the Internet. This gives us a wonderful opportunity to reach out to schools and public libraries everywhere you live, to enable people who might not have the opportunity to travel to the Archives and the Smithsonian to see over the miracle of the Internet what is here and what marks our history. You know better than I that each community has unique resources -- treasures if you will -- that should be restored and preserved. Whether it's a town hall in a city square or even a city park or a monument, there is something there that you can use to help teach the people in your community about their past and ask them questions about the kind of future they want to be part of building.

I'm also pleased to take this opportunity to unveil a new millennium initiative, called Millennium Community. This is a program to bring official recognition to cities, towns, communities and Indian tribes that are planning millennium projects that honor the past and imagine the future. I'm glad that we've worked to develop this program hand-in-hand with you, the U.S. Conference of Mayors, and also with the National Association of Counties, the National League of Cities, the National Association of Towns and Townships, and the Bureau of Indian Affairs. Their leaders are here with us today, and I want to thank them.

In his state of the union, the president said "I want to invite every town, every city, every community to become a nationally recognized Millennium Community by launching projects that save our history, promote our arts and humanities and prepare our children for the 21st century."

Now every community has a different way of approaching this. We've already learned from working with some of you. Some may want to launch a local effort to save a treasure, to raise the funds necessary to do so. Others may want to join the Mars Millennium Project, which is challenging schoolchildren around the nation in conjunction with NASA to design a community that they would want to live on on the planet Mars in the year 2030.

Some might want to join the Millennium Trails project, which we hope will build 2,000 new trails that will help us explore our environment and mark our heritage along the way. Richmond, California, for example, will celebrate its new "Rosie the Riveter Park," to pay tribute to the women who worked in the World War II shipyards. The people of Casper, Wyoming, will restore some of the important trails that run through that town, such as the old cattle trails that stretch from Texas to Montana. Minneapolis is planning to celebrate its

heritage with snowshoe races and dog-sled rides through downtown. And Denver, Colorado is committed to preserving historic sites and districts.

In Little Rock, the students there will be learning about the millennium through a new curriculum in the city's public schools. And Canton, Ohio, will revitalize a six-block downtown area, the centerpiece of its millennium celebration. People in Seattle, Washington, are adding over 20,000 trees to that city's landscape. And Alaska is promoting cultural events that encourage Native Americans to draw on the wisdom of elders and the idealism of the young. We have some of those examples in this Millennium Communities handbook, which I hope that you will take with you, share with the people in your city and your staff, and look for ways that you might find suitable to pursue some millennium activities in each of your communities.

We're also seeing a lot of interest in cities that are sister cities of those around the globe who want to strengthen their ties to their sister cities by promoting international cultural and educational exchanges. Chicago, for instance, is inviting foreign artists to visit the city and paint murals throughout its neighborhoods.

Today I'm also announcing two new tools that I hope will help you develop your own millennium plans. The first is the handbook, which I hope -- we've tried very hard to make it so -- is a practical guide for civic leaders, groups, and individuals. Another tool is the new web site which Bell South, partnering with the U.S. Conference of Mayors, is creating. The web site for Millennium Communities will allow designated communities to share ideas and projects. And we hope that you will want to be so designated, that you will want to be part of this great national effort as we stand on the brink of this new century.

You know, I've been reading a lot about what people were doing at the turn of the last century and even the last millennium. And certainly if you try to think back 1,000 years, there were many differences, of course; but there were some similarities that we might also overlook. People even at that time were imagining the future. They were creating new art forms, they were building cities, they were forming reading groups -- those who could read. They were designing new systems of cultivation, they were spreading religion from every corner of the globe. They were remapping the world as they were discovering it.

And they were -- importantly -- saying "No!" to the doomsayers. You know, there's always a split when there is an important point in time. And we will see it again here in our country and around the world. There are people who face the future with fear, even with apocalyptic vision. That was true 1,000 years ago, as some monks would travel around Europe telling people the end was near and that they should come together and cower in fear.

But the other human impulse is the one that really held sway, and that is the feeling of hopefulness and opportunity and challenge in confronting the future.

Well, we know that there are those among us in our country who are stockpiling water and canned goods and worrying about Y2K, a problem that we do have to take seriously, but which I expect to be resolved with the hard work of many of you. But what I think is the more likely feeling that you will find in your communities, as I have found it around the country, is this sense of opportunity and hopefulness. And there is much we can do to build on that.

People are much more likely to come together across racial or ethnic or linguistic lines if they feel hopeful about the results that would flow from their taking what they see as a risk to try to be vulnerable and work with others unlike themselves. People who are hopeful will want to clean up monuments or create new parks, because they see a future where that will define the quality of life for themselves and their children. People who are hopeful are really those Americans who are true to our tradition of hopefulness.

With all of the difficulties and challenges our country has confronted, we always fall back on a sense of hopefulness. And that is what I hope will happen again in this coming year. Because we do, as we look back on the last six years of progress, have a lot to celebrate. We have a lot of work ahead of us to continue building on safer cities and reformed schools and welfare workers working and all that we can see at the ground level that is occurring. So let's not just celebrate with parties and champagne -- as much fun as that will be -- let's add to the celebration some contemplation, some commemoration and really look for ways that we can bring our communities and our country together.

If we imagine the kind of cities we want for the 21st century, we know we're on the right track to achieving them, and we know that the road is a very challenging one. But we have hope, because we have seen what hope and hard work can produce. When every citizen has the opportunity to live a productive, fulfilling life, and when our communities can live together in peace, without the sound of gunfire, with people feeling free to walk through a park on a beautiful summer evening; when children are learning the skills they will need to compete in the global economy, and when there is public space that invites us in and a feeling that we are contributing to the common good of our future together, then we will know we have given gifts to the future that will stand the test of time.

So let me invite each of you to use this opportunity to become a Millennium Community, to work with us in creating this moment in time that we hope will stand for the symbol of what we as a nation want to create for our future. I thank you for what you have already done and I look forward to working with you for what we can do together. Thank you very much. (Applause.)

END

REMARKS BY PRESIDENT CLINTON AND FIRST LADY HILLARY RODHAM CLINTON TO U.S. EMBASSY STAFF AFTER MEETING WITH JORDAN'S NEW KING ABDULLAH, 2/8/1999

**U.S. EMBASSY,
AMMAN, JORDAN**

(Applause.)

PRESIDENT CLINTON: Thank you very much. Thank you. Please be seated. Thank you.

MRS. CLINTON: Thank you all. I just want to express our personal appreciation to all of you for the incredible support that you have given to us in this very difficult time as we have come here to pay our last respects.

I also, on a personal note, wish to acknowledge the deep sadness that the entire American people feel. You see before you four leaders of our country who really represent many, many Americans who could not be here, but whose hearts are with the people of Jordan. I also hope you know that the friendship between our families on a personal level and between our countries is very, very deep. And we will be there in friendship and support in the months and years ahead.

As I was visiting with Queen Noor a few minutes ago and expressing our personal condolences, I could not help but think how much better off this region and our world would be if not only leaders but all of us stopped to think, "How would King Hussein have acted? What would he have said?" If we could bring the same sense of humility and openness and stability to all of our relationships that he brought and that I saw him bring not only to presidents but to every person he encountered. That would be one way to honor the legacy of this extraordinary man and this very great leader.

Thank you, as part of the American community and the Jordanian nationals who work with the Americans here at the embassy, for representing our country in good times and hard times. We're grateful to you for the service that you give.

Thank you very much.

(Applause.)

PRESIDENT CLINTON: Thank you very much. Thank you. Thank you.

Ladies and gentlemen, I would like to begin, if I might, by thanking President Bush, President Carter and President Ford and this congressional delegation for coming on very short notice all the way to Jordan to make a clear and unambiguous statement about our regard and respect and gratitude to King Hussein and the people of Jordan. I thank them very, very much. (Applause.)

I want to thank Ambassador Burns and all of you in the embassy community for representing us in a difficult and challenging part of the world and a wonderful country. I thank all the Jordanian nationals who work for the United States. We are honored by your efforts, and when Jordanians and Americans work together in our embassy here in Amman, they symbolize the partnership that we hope will always exist between the United States and Jordan.

Most of what I would have said has already been said so eloquently by those who have spoken before. I would just like to make a couple of points about King Hussein and about King Abdullah. First of all, Hussein really did bring people together. You know, I was looking at the four of us, here we are, two Democrats; two Republicans. We have agreed on many things. We've disagreed a thing or two over time. But we know that America's interest and America's heart were close to this king and this country.

I looked at the Israeli delegation today -- (laughs) -- I could hardly believe my eyes. (Laughter.) All the candidates for prime minister were there. (Laughter.) They were all

walking together. You know, I don't know if they talk at home, but they were all talking here. (Laughter.) I thought, it was as if Hussein was hugging them all, you know. (Laughter.) It was really a beautiful sight. People coming from all around the world, countries that are at each others' throats here meeting in peace and friendship and the sanctity of the umbrella of this great man. He worked with every American president since President Eisenhower -- an amazing thing.

The second thing I would like to say is that he really was driven not by the title he had but by the responsibilities it bore. And he was ennobled not by the title, but by the strength of his own character and his vision and his spirit. It was unbelievable to me when we talked right before we started this last round of peace negotiations at Wye, and I knew how ill he was. He said, "Well, I would be willing to come down there if you think it would help." I said -- (laughs) -- "If I think it would help?" I said, "This whole thing's about to come apart. Of course it would help." I said, "If you come down, they won't have the courage to walk away here without an agreement." And so he did. And he took a house, and some days he could only work 30 minutes or an hour, but every day we needed him in that long Wye peace accord, he was there. Every day he was needed, he was there, no matter how sick he was, no matter how bad he felt.

And his son, the new king, told me tonight, he said, "You know, the truth is it put some days on his life, because he was doing what he believed in." And all the icy atmosphere of those tense talks would immediately disappear when Hussein walked in the room, because all the differences and animosities and grievances seemed small in the face of this very large presence. And it was almost as if the more frail his body became, the more powerful the essence of his spirit was.

Every Jordanian citizen can be proud of that -- can be proud the on every continent and every country of the world, people said, "That is the sort of person we all ought to be."

The last point I would like to make is that I would like to join the previous speakers in saying that I have great confidence in the young king of Jordan. I had a very good meeting with him today. He clearly understands his mission. He said in the most moving way, he said, "I and all of my brothers and sisters have absorbed our father's teaching. We know what we are supposed to do. And I intend to do it." And he said it in a way that exuded the quiet, humble confidence that I saw so often in his father.

And finally, just on a purely personal note, I was deeply honored to be able to bring Queen Noor's mother and father over on the airplane with me. They are in this audience tonight, because we are leaving from here. And I think we should let them know that our prayers and support are with them, and we are grateful that their daughter, a daughter of America, has been a magnificent queen of Jordan and a great friend to the people of both countries.

Hillary and I have had so many unbelievable experiences as a result of the great honor of serving in the White House. But among those I will treasure most every day of my life are the times we had with the king of Jordan. He made us all a little better, and always will.

Thank you very much. (Applause.) END

REMARKS ABOUT RELIEF EFFORTS FOR VICTIMS OF HURRICANE MITCH AND HURRICANE GEORGES, 12/16/1999

LOCATION: WASHINGTON, D.C.

**HILLARY RODHAM CLINTON DELIVERS REMARKS ON RELIEF EFFORTS FOR
VICTIMS OF HURRICANE MITCH AND HURRICANE GEORGES**

FEBRUARY 16, 1999

CLINTON: Oh, thank you, thank you very much.

(APPLAUSE)

Thank you.

(APPLAUSE)

Thank you. Thank you very much. I am so pleased that this day has come, and I understand some of you were a little delayed at the gate, for which I apologize, but we're delighted you are all here to be part of these announcements this afternoon.

We owe a great debt to my friend and someone who has done a tremendous job on so many issues, Tipper Gore, for immediately bringing public attention to what had happened in Central America. And I want to thank her personally again for that.

Secretary Albright, thank you for your leadership and for shepherding American diplomacy into the new century so well and with such strength and purpose.

Secretary Caldera, thank you for being here. I enjoyed very much seeing you when I was on the ground visiting our troops, and it gave me such a tremendous sense of pride to see the men and women of the United States military performing as well as they always do, given whatever assignment they undertake.

I, too, want to thank Brian Atwood and the entire USAID family for the work they do every day around the world, and in particular what they've done here.

I also want to say a special word of appreciation to Maria Echaveste, who headed up the president's task force that has led us to the recommendations that we are making today in response to the need that was reported to the president.

And the people who put on the green eyeshades and find the money over at OMB, I want to thank all of you for working double and triple time to make this day happen.

To the members of Congress, to the ambassadors and other members of the diplomatic community, and particularly to the all NGOs represented here, I want to thank you for your strong presence on behalf of the people of the United States. As you served on the front

lines to help open roads, restore homes, bring services back into isolated communities, literally, to save lives in Central America and the Caribbean.

This has been one of the most extraordinary international efforts in recent memory. When I visited the region shortly after Hurricane Mitch, I not only talked with American troops about what we were doing, but I saw firsthand supplies and troops coming from other countries, literally around the world. On the tarmac in Honduras I saw a plane from Japan and another filled with food and clothing that just happened to be from Little Rock, Arkansas. I don't know that that was planned.

(LAUGHTER)

CLINTON: But more than that, I was moved by the meetings and conversations that I had with the leaders of these countries and with the citizens who have embarked on an extraordinary effort to rebuild not only the physical infrastructure of their countries, but more than that, the sense of hope and optimism that had recently come to this region after so many years of bloodshed and war, disappointment and pessimism about the future.

A woman in Nicaragua told me that the hurricane, in terms of its damage, was worse than both the war and the earthquake that leveled Managua. And when I obviously expressed some surprise at that rather remarkable statement, she said that it was because, unlike the terrible problems with the earthquake or even unlike the years of unrest and war, certain parts of the country were left untouched and life could go on somewhat normally.

But here, the entire country was affected, entire crops wiped out, villages destroyed, parents left without jobs or food for their children.

So that it's clear that these nations that we are addressing today need not just short-term humanitarian relief, which we have come forward with in an extraordinary show of support, but they need long-term reconstruction. Which is why when my husband first announced U.S. assistance to help the people of Central America get back on their feet and look again toward the future with hope and optimism, he made it clear that we would stand with the people of these countries for the long haul. And today, we are making good on that promise.

I'm very pleased that the president has proposed funding of nearly \$1 billion to help our Latin American neighbors repair and rebuild in the aftermath of these disasters. This proposal will bring our total commitment to over \$1.2 billion, and it will help in several critical ways.

First, if this funding is approved, 17 million people will have help protecting themselves from the contagious diseases that too often rear their ugly heads in the aftermath of natural disasters. Seven hundred health clinics will be up and running, and more than seven million people will have access to clean water and proper sanitation.

Second, this proposal will help create jobs, boost economies, and rebuild entire communities.

When I was in Central America, I heard time and time again that the leaders -- this new generation of leaders in these countries -- understood very well that it was not enough just to stop the fighting, as important as that was; to reach peace agreements; and to be able to establish the rule of law and democracy.

CLINTON: But instead there had to be sustained investments in the well being of the people of these countries -- investments in education to raise literacy rates, in health care to lower maternal and infant mortality rates. And it is this progress which has been so much put at risk because of the devastation of these hurricanes.

I remember very well in my meeting with the leadership of Guatemala and the promises that were made when the peace agreements were signed two years ago. Those promises were not just about decommissioning weapons, as important as that is. Those promises included investing more money in education and in health care and in making it possible for the people who are now free of war to feel that they have a future worth building.

In Nicaragua alone, 60 percent of the citizens are unemployed as a result of the hurricane. For farmers whose crops were wiped out, the president's proposal will provide important tools to help restore production. For people in rural areas, it will reinstall the roads and bridges that bring produce to markets and create jobs.

And for 70,000 entrepreneurs, it will provide the small loans needed for micro businesses. This is something that we feel very strongly about in this administration, from the president on. And some of you may have been in the White House last week when we held our second annual awards ceremony here in the United States to honor micro enterprise.

But we know that it's a tool for building lives and creating markets where none exist before. And so this proposal will include such funding.

The president's proposal will also help rebuild the roads, homes and schools that people rely on every day. For example, 6,000 new open air schools will be created and school supplies will be put in the hands of 200,000 children.

Finally, this proposal we hope will help our neighbors prepare for their future in several different ways. They need more help in creating better systems to deal with disasters. That is one of the strong recommendations I heard as I met with the leaders in these countries. Some countries were better prepared than others, but all can use some additional help.

They also need help in shifting the way they do agriculture, not only to more productive crops, but to help manage the environment better. Some of the damage was caused by the impact that erosion had created in many of the areas so that the rains literally had nowhere to go but to create mudslides. So there needs to be more thought given as to how to create productive agricultural land with perhaps new crops and at the same time undo the damage that erosion and environmental degradation has created in order to be better prepared for future storms.

CLINTON: This package also includes \$50 million to help the Dominican Republic, Haiti and the eastern Caribbean restore the housing, health care and jobs destroyed by Hurricane Georges. I saw again personally when I visited the Dominican Republic and Haiti the continuing effects of the damage from Hurricane Georges in both of those countries, and this will be a very welcome addition to the work that those countries are doing.

This proposal also includes an additional \$10 million to help the victims of the recent earthquake in Colombia, a devastating earthquake whose damage is still being assessed in some remote areas of Colombia.

From the start, our obligation to help Central America and the Caribbean recover from these tragedies has transcended politics, and so, too, must it now. This entire proposal is the product of close bipartisan consultation with members of Congress from both houses and both sides of the aisle. I'm very heartened by the support that Republican members have given, many who also made the trip to see for themselves the effect of these hurricanes. And it is our hope that Congress will quickly act to pass this proposal.

On March 8th, I will accompany the president on his trip to Nicaragua, Honduras, El Salvador and Guatemala, where he will see the destruction firsthand, where he will also meet with people who've been affected, as well as meeting with American troops and American NGOs. And he will hear what all of you in this room know so well -- how important it is for us to extend a helping hand to our neighbors to help them heal and rebuild.

I know that many of you who have worked in Central America and the Caribbean for many years understand how devastating the effect of these hurricanes have been. We understand how at just the moment in time when all of these countries were poised for the future this devastating natural disaster has seemed to come out of nowhere and set them back with respect to pursuing their dreams and their hopes.

Well, we want to be friends and partners in rebuilding those dreams and hopes, and that is what the president's proposal attempts to do. It is why I hope, in addition to what we're able to provide through this supplemental appropriation, the American people will continue with their generous support as well.

With every road or bridge we help rebuild, with every crop that is planted, with every school and health clinic that is rebuilt, we want to send a strong message to the people of Central America and the Caribbean who have overcome so much in recent years that we will continue to stand by them as we move toward the future together.

We understand that the future of the United States is linked to the future of the people of these countries, and it is a great point of personal pleasure for me to be part of a process that helps bring together our countries and the people of countries and our governments on behalf not only of the reconstruction work that needs to be done, and not even just on behalf of the humanitarian relief that must continue, but on behalf of this new, strong friendship among our peoples.

Thank you very much.

(APPLAUSE)

END

"Good Morning America," ABC, 2/17/1999

DIANE SAWYER: After weeks of speculation, yesterday Hillary Rodham Clinton finally made it official that she is giving careful thought to running for the U.S. Senate next year in New York, so running out of the White House. Undoubtedly, the Democratic Party won't find anyone with better name recognition, and her recent approval ratings have been as high as

70 percent. Not only that, a new poll has her ahead in a race against perspective candidate New York Mayor Rudy Giuliani by 11 points. If the election were held today, she'd probably win.

Pres. BILL CLINTON: America's First Lady.

DIANE SAWYER: (voice-over) But name recognition cuts both ways. It's a notoriously bloody battlefield -- New York politics. And Mrs. Clinton would be sacrificing the moral authority she's amassed for the future on human rights, women's rights, children's rights, for trench warfare over the past -- things like Whitewater and Travelgate.

HILLARY CLINTON: I am happy to answer the grand jury's questions.

DIANE SAWYER: (voice-over) Not to mention the still bitter memory of that early work on health care reform.

ALEC BALDWIN: Hillary Rodham Clinton possesses unique talents, skills, and experience.

DIANE SAWYER: (voice-over) On the plus side, a big name means big donations. And Mrs. Clinton knows the glories and bruises of the campaign trail. Last year, in an 11th-hour push for Charles Schumer, now senator, she showed she can speak the language of New York, whether it's on Park Avenue or out in the minority communities.

HILLARY CLINTON: This is about who leads New York. This is about who sets the agenda for the 21st century.

DIANE SAWYER: (voice-over) And the unknown? Well, how would New York's powerful Jewish community react to her advocacy of a Palestinian state last year? And what will she be saying about the polarizing issues like the death penalty and welfare? No one doubts that Mrs. Clinton is strong enough for the race, just look at what she's weathered in public life. The only question is this -- Given what she's weathered in public life, why would she be running? Why?

Joining us now to talk about this possibility, from Washington, ABC's Cokie Roberts, co-host of This Week and from Indianapolis, ABC News political analyst, George Stephanopoulos.

George, let me begin with you. It's begun. "New York Daily News," a columnist says that Mrs. Clinton, if she's going to run, has to learn when you say it takes a village you means Greenwich Village, and if you come to New York, you have to wear black, black, black and leave your old accessories at home, for instance, the big one in the Oval Office. Is Mrs. Clinton serious about taking this on?

GEORGE STEPHANOPOULOS, ABC News Analyst: I don't think so. I think she must be having an awful lot of fun with all the speculation over the last few weeks and she's clearly putting out the word she's thinking about it, but all the questions you raise in your piece still come back. Even if Mrs. Clinton could win, why would she want to go through an amazingly tough race in her last years in the White House, and why would she want to be the junior senator from New York when she could be one of the senior statesman in the world after leaving the

White House.

DIANE SAWYER: Why would she be teasing people either?

GEORGE STEPHANOPOULOS: I think she's got a sense of humor, number one. I think number two, it's flattering. Number three, it's been, frankly, a helpful story line to have in the post impeachment phase, Mrs. Clinton out on her own and being flattered in the New York press and being built up in the New York press. It puts out some independence with her from the President. So I think it serves a lot of purposes even if she doesn't decide to run.

DIANE SAWYER: Cokie, what's your vote on this, and what are the quirks of a Senate race?

COKIE ROBERTS, ABC News: The quirks of a Senate race are awful any place, and in New York they are really awful. Just ask Geraldine Ferraro. The truth is I think Mrs. Clinton -- I only know from what I read and some of her friends I've talked to -- I think she might start to consider it seriously. What happens to potential candidates is everyone starts telling them we need you, the state needs you, the party needs you, you can do it, only you can do it. And it starts to go to people's heads. And why not. I think -- I just hope she has some good friends who only care about her and not the Democratic Party who can give her advice about what's the right thing for her. Because putting yourself through this campaign after what she's been through to me is just plain nuts.

DIANE SAWYER: George, we've seen how she handles the President under attack, stoically and strongly. How is she when she's personally under attack?

GEORGE STEPHANOPOULOS: She's tough. I mean, Diane, there's no question about that. She likes to come out fighting. It's both the lawyer in her and the political Paul in her. But also at the same time, she doesn't like it all that much. One of the images I have in my head is that whenever we had big debates or big events on the campaign trail, she would sit back in a room and wait for it to be over. She does the fight, but she doesn't always enjoy it.

DIANE SAWYER: George Stephanopoulos, Cokie Roberts, thanks so much, for stopping by this morning. It's 17 past.

Charlie?

CHARLES GIBSON: Thank you very much, Diane.

"Nightline," ABC, 2/17/1999

ANNOUNCER: February 17, 1999.

CHRIS WALLACE, ABC News: (voice-over) Her husband figures she's a natural.

Pres. WILLIAM J. CLINTON: I think she would be terrific in the Senate, but that's a decision that she'll have to make.

CHRIS WALLACE: (voice-over) And the media is thrilled at the prospect.

JACK NEWFIELD, "New York Post": I think it would be the most exciting Senate race in the country. It would be Viagra for the media.

CHRIS WALLACE: (voice-over) But is she ready for the rough and tumble of a New York political campaign?

DON IMUS: And if she wants to run for the Senate against the most vicious person on the planet, Rudolph Giuliani, what is she nuts?

CHRIS WALLACE: (voice-over) Tonight, Hillary Clinton and the 2000 Senate race.

ANNOUNCER: From ABC News, this is Nightline. Substituting for Ted Koppel and reporting from Washington, Chris Wallace.

CHRIS WALLACE: Let's admit right from the outset that what we're indulging in tonight may be one of the better examples of hype. After the year the first family has been through, it would certainly be understandable if they want to have a little fun toying with the idea of one more campaign. And after the year Mrs. Clinton has been through, it would certainly be understandable if she wants to have a little fun being courted as a candidate.

But even if it turns out to be nothing more than a brief diversion, the thought of the First Lady throwing herself into the cut and thrust of politics New York style, well, it's too enticing to ignore. It would be historic, the first First Lady ever to run for office. It would be compelling theater, Hillary Clinton slugging it out on the issues in between bites of bagels or cannoli. (ph) And it would be great politics, a true liberal taking on everything the Republican Party can throw at her. As Nightline's Chris Bury reports, in New York they can hardly wait.

CHRIS BURY, ABC News: (voice-over) The headline left little doubt what was on the minds of New Yorkers this morning. From the tabloids to the ticker on Times Square, the prospect of Senator Hillary Rodham Clinton was the talk of the town. The notion of a match up between Mrs. Clinton and New York Mayor Rudolph Giuliani is pure catnip for politicians and pundits desperate for a post-impeachment fix.

Sen. CHARLES SCHUMER, (D), New York: I think Hillary Clinton would be a great candidate and a great senator and what she has told me is that she is now beginning to look at this seriously.

Sen. JOHN McCain, (R), Arizona: Many of us who are political junkies salivate at the prospect of a Clinton-Giuliani race for the United States Senate.

JACK NEWFIELD: It would be Viagra for the media.

CHRIS BURY: (voice-over) Even the President has not discouraged speculation.

Pres. WILLIAM J. CLINTON: I think she would be terrific in the Senate but that's a decision she'll have to make.

CHRIS BURY: (voice-over) And Tuesday's statement from the First Lady that she will give careful thought to a potential candidacy in order to reach a decision later this year has only ginned up the rumor mill.

Sen. CHARLES ROBB, (R), Virginia: It turns out I am the sole representative of the United States Senate. Of course that's only the current United States Senate that I'm referring to in this particular instance.

CHRIS BURY: (voice-over) Today, pushing Social Security reform with the President, Mrs. Clinton ignored even veiled references to any change in careers. But ABC News has learned she sought advice from experienced New York political pros as soon as her husband was acquitted. "New York Post" columnist Jack Newfield says Mrs. Clinton's statement has already frozen the race.

JACK NEWFIELD: Congresswoman Nita Lowey is the only other alternative the Democrats have at this point and she has already said she would immediately step aside if the First Lady wants to enter the race. I think Hillary Clinton's interest, and I think there is interest, is going to freeze the field until April or May or June when she finally decides.

HILLARY RODHAM CLINTON, First Lady Of The United States: Now, every New Yorker, I believe, has a tremendous stake in this -- men, women, children of all ages, all backgrounds, races, ethnicities because one of our great challenges moving into this new century is are we going to do this together?

CHRIS BURY: (voice-over) The buzz about Hillary began with her wildly successful fundraising efforts on behalf of Charles Schumer and other Democratic candidates. Now, they are urging her to run, knowing her approval ratings have never been higher. That she is an Illinois native living in Washington and registered to vote in Arkansas makes little difference in New York.

BOBBY KENNEDY: The first senator from the state of New York, Rupert King, was from Massachusetts.

CHRIS BURY: (voice-over) That's how Bobby Kennedy answered the carpetbagger question when he moved to New York just to capture a Senate seat in 1964. But even if New Yorkers are historically open to out of towners, why would Mrs. Clinton want to run given what she has been through lately and knowing she will have enormous and lucrative opportunities ahead? The First Lady's former press secretary believes all this attention validates Mrs. Clinton's standing as an independent political figure.

LISA CAPUTO, Former Hillary Clinton Press Secretary: It's got to be enormously flattering and I think in many ways that this notion and interest in having the First Lady run for a Senate seat does reaffirm that she is a person of substance.

CHRIS BURY: Flattering as such attention might be, Mrs. Clinton also knows there are plenty

of good reasons not to run. To begin the Clintons face millions in legal bills and she would give up the opportunity to make a lot of money. And a campaign in New York, particularly against a tough opponent like Rudolph Giuliani, would likely be far more ferocious than anything Hillary Clinton has faced in the White House.

HILLARY RODHAM CLINTON: Are we ready? Well, let me thank all of you for coming.

CHRIS BURY: (voice-over) As First Lady, Hillary Clinton has hosted only one full scale White House press conference, nearly five years ago, to answer questions about Whitewater. Since then her media exposure has been carefully choreographed for the most positive and often glowing results. But this is the kind of coverage Bill Clinton has attracted and his wife could anticipate in a city whose press corps prides itself on being tough.

JACK NEWFIELD: She is going to be sitting in Katz's Delicatessen with her mouth full of knish and 30 guys are going to be yelling at her to explain the \$100,000 profit she made in the commodity trade in Arkansas in 1979.

CHRIS BURY: (voice-over) In fact, just this morning the popular New York radio personality Don Imus offered a taste of what Mrs. Clinton might expect.

DON IMUS: See, the last time we talked to her she was playing three card monte with billing records in the book room and jerking your chain on Wall Street and hiding suicide notes and she wants to run for the Senate against the most vicious person on the planet, Rudolph Giuliani? What is she nuts?

CHRIS BURY: (voice-over) This afternoon, Mayor Giuliani, who has yet to announce his candidacy for the Senate, refused to speculate about a possible match up with Mrs. Clinton.

Mayor RUDOLPH GIULIANI: I don't have anything to say to her. I mean she's got to decide what she wants to do and I'll decide what I want to do and rather than play your game, I'll do it on my own terms.

CHRIS BURY: (voice-over) In New York, politics is a rough and tumble game. Consider last fall's Senate race between Charles Schumer and Al D'Amato. The most hotly contested question was whether D'Amato had called Schumer a putzhead.

AL D'AMATO: I have absolutely no knowledge of ever having made that statement.

Sen. CHARLES SCHUMER: Al D'Amato used a cheap slur against me and then when asked lied about it.

LISA CAPUTO: I think Hillary Clinton is such a fighter. She's got a real tough skin and I think that if she could weather what she's weathered over the past six years, I think that she can just about weather anything.

CHRIS BURY: Two other popular first ladies, Jackie Kennedy and Eleanor Roosevelt, were also encouraged to run for the Senate and of course neither did. Some of those who have spoken with Mrs. Clinton in recent days are convinced she will ultimately follow their example. But

until her decision is known, the political world will be asking is Hillary Clinton serious about a Senate race or is she just teasing.

This is Chris Bury for Nightline in Washington.

CHRIS WALLACE: So, does Hillary Clinton have what it takes to run? We'll ask three veterans of New York political warfare, when we come back.

(Commercial Break)

CHRIS WALLACE: Joining us now from New York, former Republican Senator Alfonse D'Amato. Joining us from Los Angeles, Jerry Nachman, former columnist and editor of the New York Post. And joining us here in Washington, Mandy Grunwald, political and media advisor to both the President and the First Lady and to New York Democratic Senator Patrick Moynihan.

Mandy, let's start with Don Imus' question, is she nuts? After everything she's been through, why in the world would Hillary Clinton sign up for what promises to be a brutal campaign?

MANDY GRUNWALD, Former Clinton Advisor: (Washington) Well, if she wants to do it it would probably be for the same reason she's done a lot of things in her life, because she thinks it's the place she could make a difference. You know, there are a lot of issues she's worked on, children's issues, women's issues, and I think if she decides to make this run she's not going to focus on the New York Post or what the traffic's going to be like but really what the job would be and what she could get done. And yeah, you're always a little bit nuts to run in New York and it's always tough, but she's dealt with Ken Starr. I think she could probably deal with the New York Post.

CHRIS WALLACE: Senator D'Amato, imagine that you're the Republican candidate in this race. Would it be delicate to run against the First Lady? Would you have to pull your punches?

AL D'AMATO, (R), Former Senator New York: (New York) You'd have to certainly be careful, particularly if you have a woman. But let me say she has a natural constituency. She'd rally a tremendous amount of support and she'd be a very formidable candidate and I think the media would just have a wonderful time, great, great theater and it would be a donnybrook. She would have everyone throughout the country following this race. The New York press corps is one of the toughest. Is she up to it? I think that she's weathered some pretty tough storms and she would be a tough candidate for anyone.

CHRIS WALLACE: You say it would be a donnybrook. We'll get into detail later, but briefly, how would you run against her? What are the one or two points that you think as a Republican you would want to make against her?

AL D'AMATO: Oh, I think you'd have to take, go right to her strength and indeed, she has been a great advocate on behalf of women and children, etc., and some of these programs are great programs, but someone has to pay for it. And so you'd have to try to take it on the plane as to who's going to pay and where does the money come from and will another

Democrat elected to the Senate help New York as opposed to having someone who will be in the majority and who will be able to deliver for New Yorkers. You have to take it up scale. You cannot take it rough and tumble. Chuck and I had a rough and tumble one. I think you have to be very careful.

CHRIS WALLACE: Would you consider taking on this race yourself?

AL D'AMATO: Well, I'm looking at it. I said it's a decision we haven't made yet but if I decide to run, it will be notwithstanding whether the First Lady makes the race or not. Would she be formidable? She certainly would. I don't know of anyone who would be tougher on the Democratic side.

CHRIS WALLACE: Jerry Nachman, as a former New York street reporter, if this race happens, it doesn't get any better than this, does it?

JERRY NACHMAN, Former "New York Post" Editor: (Los Angeles) No, Chris, it makes me homesick just thinking about it. It would be the Ali-Fraser fight. This battle, potential battle between Hillary Clinton and Rudy Giuliani, probably on paper, has to be one of the great bouts of all time.

CHRIS WALLACE: How rough does it get for Mrs. Clinton both from the Republicans and from the New York media?

JERRY NACHMAN: The most fascinating thing to me, Chris, is the possibility of Mrs. Clinton getting the nomination without a primary. I mean Senator D'Amato can attest to what a leg up that would be for any Democrat to go into the general election without having gone through the combat and having spent the money of going through a Democratic primary in New York.

CHRIS WALLACE: Mandy Grunwald, what about this issue which Chris Bury referred to in his story? As First Lady when things got hot, Hillary Clinton could just disappear for weeks on end. As a Senate candidate, she'd have to be out there and answer the questions every day.

MANDY GRUNWALD: Sure she would. I mean the New York press corps is very demanding and she would have to play the game their way. Yes, there would be some things that would be a little bit different because she's First Lady. But if she makes the decision to run, she would have to understand what a campaign in New York is all about. And I think she'd be ready for that. I think it's not really whether she can handle it, it's whether this is the best place for her to make a difference. I think we'd all love to watch it. I mean I think you hear that from all of us. And if you think that a campaign between Hillary Clinton and Rudy Giuliani would be interesting, I'd love to see one between Hillary Clinton and Al D'Amato. Now that's, that you'd buy tickets for.

CHRIS WALLACE: Al D'Amato, let me ask you, how tough would it be to run in New York? You've done it many times. How tough would it be for Mrs. Clinton? What would she have to learn? What would she have to watch out for?

AL D'AMATO: Well, just about everything. There's every minefield you can possibly think

about and certainly there are going to be people, you've heard it, who will be bringing up questions of stock transactions and missing documents and all of that kind of thing. So that's the theater of it. But when it really comes down to, it's going to come down to do people believe that she will make a difference, a positive difference for the state and I think if Rudy Giuliani is the candidate, he's got a tremendously formidable record. I'm proud of my record as having been able to deliver. And so we would contrast those things. And then the question being in the majority and being able to deliver. So would it be nasty? Yeah. I think the media's going to look to stir it up and we do our own part in it and it would be a slug fest, Rudy Giuliani, Al D'Amato or some of our other great candidates.

CHRIS WALLACE: We have to take a break here but when we return, let's look at some actual issues. Just what are Mrs. Clinton's strengths and weaknesses? And we'll continue our discussion in a moment.

(Commercial Break)

CHRIS WALLACE: And we're back again with Senator Alfonse D'Amato, Jerry Nachman and Mandy Grunwald.

Mandy, you just heard the senator refer to it. If Mrs. Clinton runs, won't she be hit with all of those old scandals, her role in Whitewater and Travelgate and the billing records?

MANDY GRUNWALD: You would think if the Republican Party have learned nothing else in the last couple years it's that that strategy has driven it to its lowest poll ratings in its history. I think Senator D'Amato might say that the Whitewater hearings he conducted contributed to the weakness he faced as a candidate for reelection last year. If that's the best they've got which is, you know, kind of recycling all that stuff again and trying to defeat her on scandal, I think she'd kill 'em.

CHRIS WALLACE: Senator D'Amato, is there still life in those old scandals?

AL D'AMATO: Well, I think it really would come from not the candidate himself, but I think the media's going to bring it up. I think that's just an inevitable fact. I mean I've run so many times in New York and yet the old things are just hashed and rehashed. But Mandy's right, if a candidate tries to take her on on the issues of Whitewater, etc., they lose. They're going to have to take her on on the issues that really New Yorkers are going to look at -- do you want to be just taxed to death and more spending and more big government and can we contrast Mrs. Clinton's positions and what it will cost people for many of the programs that she advocates?

So I think it's going to be more intellectual and more on the basis of who can deliver, who can get the job done, who's going to be better for New Yorkers? It'll be a great race.

CHRIS WALLACE: Mandy, let me ask you about that. I mean can't Mrs. Clinton be attacked as a big government liberal? Won't she be hung around her neck, the failed health reform plan?

MANDY GRUNWALD: Well, I think she learned a lot from the, from her episode in 1994 with health reform and has shown with the work she's done on other health care issues taking a

smaller approach to things like HMO reform, the HMO Bill of Rights, children's health coverage, that she learned from that experience. I think she very much is part of what she and the President have always called the third way, the sort of centrist place they've taken the Democratic Party. And there, I think people would be in, actually, for a lot of surprises on questions like welfare reform where she very much supported what the President did. I think you'd be surprised that, you know, where she, where you might call her a liberal and where you might call her a conservative. I think she's very much where the President is on a lot of these issues and I think New York has made that choice over and over again that they support the direction that the Clinton administration has taken this country.

CHRIS WALLACE: Jerry Nachman, Mrs. Clinton has also gone on record supporting a Palestinian state. Not good politics in New York, is it?

JERRY NACHMAN: No, she's going to get hit very hard on that. But I think I want to agree with Mandy that on the issues she will do very well, Chris. It's going to come down to how brittle is she because she's going to get questioned on everything. Remember, if it's a Rudy Giuliani-Hillary Clinton election, there are going to be lots of questions about these two quirky marriages that these two candidates come from. There will be all the questions on Monica, all the things that the politicians say that it's not right to go into, the press will go into, and the question is Hillary, who's been able to duck as First Lady is going to have to learn from her husband. In 1992 when Clinton came to New York for the primary, he got pummeled mercilessly and we as journalists saw that this was the most resilient politician we'd ever seen. It was during the New York primary in 1992 where the Gennifer Flowers stuff, the I didn't inhale stuff, the draft dodgers stuff all came to a point and he won the New York State primary anyway. She could take a lot of lessons from her husband on how to get through those tough days.

CHRIS WALLACE: Mandy, how does Mrs. Clinton handle all that and why in the world, again, why would she want to?

MANDY GRUNWALD: I just keep laughing about the irony that we've spent the last year watching a group of people trying to kick the President out of office and now we have a group of people trying to drag her in. It's just, the juxtaposition is unbelievable. I think she could handle whatever she needs to handle. She has shown this year an unbelievable grace under pressure and has handled publicly things that nobody in the world has ever had to. If she wants this job, I have every faith that she'll know how to go about dealing with all the various things in the New York press, in the New York political system that she needs to. It isn't going to be easy. I don't take it lightly. I think the real question is whether this is the right choice for her. And she's going to take some time to figure that out.

CHRIS WALLACE: All right, well let's talk about that. As long as she's out there it freezes the race, Mandy, for any other Democrat. How long, realistically, does she really have to make up her mind?

MANDY GRUNWALD: I don't know if there's any specific time line. She said she'd make a decision later this year. I certainly think, you know, having worked for Senator Moynihan three times, I'd like the seat to stay Democratic and I'm sure he would, too. Hillary Clinton would be the best chance, I think, of assuring that, but Nita Lowey would be a strong

candidate and there are probably others out there. I don't think there's a magic date. I think Hillary should take the time to make this decision right and if she doesn't run I assume she'll work very hard for whoever decides to.

CHRIS WALLACE: We've only got about 30 seconds left so I'm going to ask you all to share it and be brief about it. We know all the reasons why Mrs. Clinton would flirt with it, but let me ask, and start with you, Senator D'Amato, when it comes right down to it, what do you think, will she or won't she?

AL D'AMATO: Oh, I think there's a great chance she's going to run. She becomes her own person. I've always thought that money is not the thing she's going to be looking for, it's going to be prestige on her own. So it's a good likelihood.

CHRIS WALLACE: Very briefly, very briefly, Jerry Nachman.

JERRY NACHMAN: I'm not sure she has the belly for what the press is now doing jumping jacks waiting to do to her.

CHRIS WALLACE: And Mandy Grunwald, yes or no?

MANDY GRUNWALD: I don't know. I don't think she knows yet and I hope whatever choice she makes she gets, gets some of the fun that she hasn't had in the last year.

CHRIS WALLACE: We're going to leave it there and I think that's a great place to leave it. Mandy Grunwald, Senator D'Amato, Jerry Nachman, thank you all very much for joining us tonight.

And I'll be back in a moment.

(Commercial Break)

CHRIS WALLACE: Tomorrow on World News Tonight with Peter Jennings, a closer look when a country's entire genetic makeup is on file in a computer database, is it the perfect lab or the end of privacy?

And that's our report for tonight. I'm Chris Wallace in Washington. For all of us here at ABC News, good night.

"Sunday Morning," CBS, 2/21/1999

THE COMEBACK

CHARLES OSGOOD, host:

If Hillary Clinton were a stock traded on the big board, the sell-off would have come about four years ago. She was blamed for pushing too hard and too fast for her controversial national health-care program. She was being investigated, along with her husband, in a co--

complex land deal which few people understood. She was suspected of hiding evidence from her previous work at an Arkansas law--law firm. She was the butt of jokes from late-night comics and political cartoonists, and had become sort of a dart board for the then triumphant Republicans who took control of Congress in 1994. But as any stock analyst will tell you, what goes down can sometimes come roaring back up. The Comeback is our cover story from Martha Teichner.

(Footage of Hillary Clinton)

Mr. SAM DONALDSON (ABC News): Mrs. Clinton, everybody wants to know if you're going to run for the Senate.

MARTHA TEICHNER reporting:

(Voiceover) She will decide, say her friends, when she has done what one calls her due diligence. This past week, every move she made was watched, not for body language clues as to the state of her marriage, post-impeachment, post-Monica, but to guess her political intentions. Never mind all the speculation. Her advisers insist the decision will be made, not in a matter of days, but weeks, possibly even months, when she has immersed herself totally in the pros and cons of running for the Senate in New York.

Unidentified Pollster #1: If the next election for US Senate in New York state were held today, whom would you support if the candidates are Rudy Giuliani, the Republican, and Hillary Clinton, the Democrat?

Unidentified Woman #1: Hillary Clinton.

(Footage of poll takers on telephones)

TEICHNER: (Voiceover) But if the election were held today, according to the polls, Hillary Rodham Clinton would beat New York City Mayor Rudolph Giuliani by 11 percent.

Unidentified Pollster #2: Do you have a favorable or an unfavorable impression of Hillary Clinton?

Unidentified Man #1: Favorable.

(Visuals of covers of poll printouts; poll printout form; footage of poll takers working at computers)

TEICHNER: (Voiceover) On Tuesday night, in a new survey conducted by the Marist College poll in Poughkeepsie, New York, New York state voters liked Mrs. Clinton by better than a 2:1 margin. The numbers seem to reinforce the notion that the first lady is the only person to emerge from the White House scandals with her reputation intact, if not enhanced.

Unidentified Pollster #3: You say Hillary Clinton. OK.

TEICHNER: (Voiceover) We wanted to know if that's really true, so we asked the Marist pollsters to tack on a question for us.

Pollster #3: Do you like Hillary Clinton more or less than you did two years ago?

TEICHNER: (Voiceover) Five out of 10 people liked her more, only two out of 10 liked her less. But what was interesting was why.

Unidentified Woman #2: She's a woman of character. I think she knows what she wants, and she's gonna get it.

(Footage of pollsters)

TEICHNER: (Voiceover) How she handled the scandals was not the main reason people liked her more. It was significant, but the number one reason was, paraphrasing, 'how she has grown as a person.'

Unidentified Man #2: After watching her for a couple of years, she's just a very smart lady.

Pollster #3: Why do you like Hillary Clinton less now than you did two years ago?

Unidentified Woman #3: Why?

Pollster #3: Yes.

Woman #3: Because I just don't understand why she'd stay with her husband and let him make a fool of her.

(Footage of pollsters; computer screen; Teichner and Miringoff)

TEICHNER: (Voiceover) The like-her-less people, by almost 2:1, said it was because of Mrs. Clinton's handling of the scandals, their feelings about her mostly tied to their opinions of the president. But again, overwhelmingly people liked her more than they did two years ago.

Mr. LEE MIRINGOFF (Director, Marist Poll): So there's a sense now of the beginnings of an assessment of her in her own right.

TEICHNER: (Voiceover) Lee Miringoff is director of the Marist poll.

Mr. MIRINGOFF: I don't think it's, you know, an issue of a traditional role vs. a non-traditional role. I don't think it's an issue just strictly of Hillary Clinton vs. Hillary Rodham Clinton. I think it has to do with what she represents.

(Footage of Hillary Clinton)

TEICHNER: (Voiceover) The turnaround has been remarkable.

Mrs. HILLARY CLINTON: I just want to say before I go in that I am happy to answer the grand jury's questions.

TEICHNER: (Voiceover) This is, after all, the only first lady ever hauled before a grand jury. In January 1996, the same month she testified on Whitewater issues, her approval ratings

registered disapproval, another first for a first lady. The figures were 36 percent negative, only 26 percent positive, according to a CBS poll.

Ms. GAIL SHEEHY (Journalist): She's so allergic to scrutiny that she causes more scrutiny.

(Footage of Sheehy; visual of Vanity Fair cover and inside pages)

TEICHNER: (Voiceover) Journalist Gail Sheehy's look at the Clintons' marriage was featured in February's Vanity Fair, and she's writing a book about the first lady.

Ms. SHEEHY: Being very not forthcoming with information all the way through only created more and more suspicion and gave more and more ammunition to their enemies on the right.

(Footage of Democratic convention)

TEICHNER: (Voiceover) The numbers stayed negative all the way to the Democratic National Convention in August 1996.

Mrs. CLINTON: It takes a family, it takes teachers, it takes clergy. Yes, it takes a village.

(Footage of Hillary Clinton at convention; traveling abroad)

TEICHNER: (Voiceover) After Mrs. Clinton spoke in Chicago, the climb back up began. So did her transformation. She never stopped traveling the country, no, the world, speaking on behalf of children and women, but there were no more pictures of her embattled and defensive on the evening news.

Unidentified Reporter #2: Did you have anything to do with this, and what...

Mrs. CLINTON: I--I--it's the first I've heard of it. I know nothing about it. I have no comment about it.

(Excerpt from "Rosie O'Donnell Show")

TEICHNER: (Voiceover) "The Rosie O'Donnell Show" was another story. Her friends and staff say she is just reaching the audience she needs to reach, middle-class women. Her critics say she has repackaged herself as a traditional first lady.

(Photograph of Mrs. Clinton and O'Donnell)

Ms. SHEEHY: I think that Hillary has very cleverly figured out that having been a projection for Americans since she came into the White House and whether they demonize her as the, you know, yuppie wife from hell, or whether they see her as, you know, the most graceful stand-by-your man wife, sh--if--if it's going her way, the less she says, the better.

(Footage of Bill Clinton; Mrs. Clinton; visual of Vogue cover; footage of Mr. and Mrs. Clinton)

TEICHNER: (Voiceover) By the time the Monica story hit in January 1998, Mrs. Clinton's numbers were already way up, 45 percent positive, 27 percent negative, according to a CBS poll. She stood by her man and they went up even more. As the sordid soap opera played itself out on Capitol Hill, the first lady looked better and better, even if that's not how she

felt. The editor of Vogue is quoted as telling celebrity photographer Annie Liebovitz that she wanted Mrs. Clinton to look like British royalty on the December cover. She is now enjoying her highest ratings ever, almost 3:1 positive. But compare Hillary Clinton to other first ladies, say Barbara Bush, who was polling 20:1 positive even when her husband was losing to Bill Clinton in 1992.

KATHLEEN FRANKOVIC (CBS News): It's fair to say that she was, in fact, being judged by different standards than other first ladies, but part of that is probably because she was acting as first lady in a different way from other first ladies.

TEICHNER: (Voiceover) Kathleen Frankovic heads the CBS News polling unit.

FRANKOVIC: It's very clear that the--the views that people have of Mrs. Clinton are very much affected by the partisan lenses they look through and they're also very much affected by gender.

TEICHNER: Republican men, according to the polls, still can't stand Hillary Clinton by more than 3:1. Republican women are almost evenly divided. Democrats, on the other hand, men and women, support her by 10:1 or more, so by anybody's calculations, Mrs. Clinton is a major asset to the Democratic Party.

(Footage of Hillary Clinton)

TEICHNER: (Voiceover) She proved herself an indispensable campaigner and fund-raiser before last November's elections. If she ran for the Senate, she couldn't be out there campaigning for other candidates. As fiercely private as Mrs. Clinton is, her friends and staff say she is not intimidated by the prospect of having old wounds reopened if she runs. She is concerned about protecting Chelsea, and whether the Senate is the right place for her. Former New York Governor Mario Cuomo has another idea.

Former Governor MARIO CUOMO (New York): She could be a great vice president, especially if the Republicans make Elizabeth Dole their vice presidential candidate, which I suspect is what's going to happen.

(Split screen footage of Mrs. Clinton and Mrs. Dole)

TEICHNER: (Voiceover) Right, Clinton and Dole all over again. A friend of the first lady's remarked, 'It's too cute by half.' But the point is, she has choices, perhaps more than her husband will have.

Mr. CUOMO: If she didn't run for the Senate, she would be--and didn't run for anything--she would be one of the most important people in this country anyway.

(Excerpt from Mrs. Clinton's graduation address at Wellesley College)

Mrs. CLINTON: Take up the challenge of forging an identity that transcends yourself. Transcend yourself and you will find yourself.

(End of excerpt)

TEICHNER: (Voiceover) These were Mrs. Clinton's words to graduating seniors at Wellesley College, her alma mater, in 1992. They could be a blueprint to how she's always tried to live her life.

Mrs. CLINTON: Throw yourself into the world and make your voice count.

(Footage of Mr. and Mrs. Clinton)

TEICHNER: (Voiceover) They will surely be a blueprint to the choices she makes when Hillary Rodham Clinton emerges after eight years of her husband's presidency, and it's finally her turn.

(Visual of SUNDAY MORNING sun logo)

OSGOOD: We go ramblin' with Jack Elliott, next on SUNDAY MORNING.

(Announcements)

"Good Morning America," ABC, 3/24/1999

THE FIRST LADY IN NORTH AFRICA

DIANE SAWYER: First Lady **Hillary Rodham Clinton** and her daughter Chelsea are in the middle of a two-week tour of northern Africa. Their second spring break in Africa together ever. They're going to visit three African countries beginning first in Egypt. We thought we would look at some of the not so home movies.

HILLARY **CLINTON**: Countries which help girls to be educated and give girls good health care, good nutrition, good opportunities..

BARBARA WALTERS: You know she's acting as a good will ambassador. But what fascinating countries to see. I mean to be able to take Chelsea and do that kind of sight seeing in Tunisia and Egypt and Morocco, very exotic, exciting place.

DIANE SAWYER: It's true. And Chelsea always emerges in the middle of this, too, as someone with such poise and grace in these situations. We see her going into a mosque now cutting ribbon. She also toured a bazaar and had a great time just interacting with some of the people in the bazaar, we're told. And she not only that while she was there, was very relaxed talking about the fact that she might indeed run for Senate.

BARBARA WALTERS: Uh-huh. We thought she would have a respite there. She was still asked about it. She says she'll cope with it when she gets home.

DIANE SAWYER: Do you think she'll do it? Do you want to bet?

BARBARA WALTERS: What do you think?

DIANE SAWYER: Not sure. Still can't believe it.

BARBARA WALTERS: You have to say yes she will. I don't want a I'm not sure bet.

DIANE SAWYER: I bet I don't think so.

BARBARA WALTERS: I bet she will. What are we betting?

DIANE SAWYER: Done, we'll be back.

(Commercial Break)

DIANE SAWYER: So before you go, I'm not Hispanic, I'm not so young, I'm marginally hip, can still audition for "The View"? Please?

BARBARA WALTERS: We're going to say later on we have now narrowed it down to three. We're going to ask people to stop sending tapes. We got thousands of tapes. But we're down to the, you know, the last few.

ANTONIO MORA: If Tony and I put on dresses it won't work either?

BARBARA WALTERS: That's a flop.

DIANE SAWYER: The "Tootsie" approach.

BARBARA WALTERS: I love being with you. We tease each other, but I really do enjoy it. And I'm so glad it's just for one day.

DIANE SAWYER: I don't suppose tomorrow you want to sleep in, are you serious?

BARBARA WALTERS: Very serious. I'll get up and watch you.

DIANE SAWYER: Please do watch. Tomorrow we have astonishing surgery. You got to see this. In the womb, on twins, will it work?

We will see you tomorrow.

A FAIR PAY ROUND TABLE, 4/7/1999

**REMARKS BY PRESIDENT BILL CLINTON
AND FIRST LADY HILLARY RODHAM CLINTON AT
A FAIR PAY ROUND TABLE
450 OLD EXECUTIVE OFFICE BUILDING
WASHINGTON, D.C.**

(Applause.)

MRS. CLINTON: Thank you, and welcome to the White House. Please be seated. We are delighted to have you here this afternoon to help commemorate Equal Pay Day, which is tomorrow. I'm glad to see so many both new and old faces in the fight for equal pay.

And we know that this is a struggle that has taken some time. We've made a lot of progress, but I hope that we'll eventually see the end of Equal Pay Day because the goal will have been achieved, and we won't have to have any sessions like this, where we continue to talk about it.

We know that women who walk into the grocery store are not asked to pay 25 percent less for milk, they're not asked by their landlords to pay 25 percent less for rent, and they should no longer be asked to try to make their ends meet and their family incomes what they should be by having 25 percent less in their paychecks.

Many people have worked for the goal of equal pay over the years, and I want to thank some who are here, starting with our wonderful secretary of labor, Alexis Herman, as well as a great advocate for equal pay and women's rights -- it has nothing to do with the wife he has or the daughters he's raised -- but Senator Tom Harkin, who is a real champion. (Applause.) Also Congresswoman Eleanor Holmes Norton is here with us -- (applause) -- EEOC Chairwoman Ida Castro. (Applause.) And I want to thank two local officials who are here, Lewiston (sp) mayor Callie Terra (sp) and Georgia representative Sharon Beasley (sp), for their contributions as well. (Applause.)

I also want to pay a special word of appreciation to Linda Chavez-Thompson and the AFL-CIO, Gail Chaeffer (sp) and the Business and Professional Women, Susan Bianchi Sand (sp) and the National Committee on Pay Equity. Together, these groups have helped lead the fight for pay equity, and they will be organizing hundreds of grass- roots events around the country tomorrow.

In a few minutes, we are going to hear from our four panelists. They will be able to tell you in their own words why they are here. But when you have heard from Professor Nancy Hopkins, Sonya Tyler (sp), Caroline Gant (sp) and Patricia Higgins, you will appreciate, as I think all of us who have ever been in the world of work do, the struggles and the challenges and the victories that they have faced and the way they represent so many other women.

One of my staff members was home for the holidays last week, and there was a cartoon stuck up on the refrigerator in her house. I mean, that is where everybody keeps all of their reminders, their namesakes, their children's drawings and all the important documents, at least in my experience. And her mother, without knowing anything about this day and this particular commemoration, had cut out a cartoon, which showed six people sitting around a conference-room table, all in suits, all wearing glasses, all men. And one of them announces, "Gentlemen, we must cut our expenses in half, so I am replacing each of you with a woman." (Laughter.)

Now clearly, these are not as bad as the cartoon -- you know, they have to exaggerate to get our attention -- and things clearly have improved. As a recent Council of Economic Advisers report makes clear, the gap between women's and men's wages has narrowed since 1963. But women still bring home only about 75 cents for every man's dollar.

And I think it is important that, despite this longtime inequity, there are still those who claim that this is a made-up problem, that any wage gap between men and women can be explained away by the choices women make. And we all know that individual women, thank goodness, make different choices; that women, for personal reasons or other professional reasons, may choose a particular career or work pattern that results in lower wages.

But this is not an accurate finding, and those who promote it should look at the entire picture and the studies that have been done repeatedly which demonstrate the contrary. Women at all ages, when you adjust for differences in education, experience and occupation, as a recent CEA study report reminds us, there is still a sizable gap between men's and women's salaries that can best be explained by one phenomenon, the continuing presence and the persistent effect of discrimination, sometimes in very subtle ways. And we'll hear about some of that from one of our panelists.

In fact, recently an important report issued by the Massachusetts Institute of Technology, which one of our panelists will discuss, looked at pay equity among tenured faculty and found that women at the School of Science were discriminated against in diverse areas, including hiring, awards, promotions, committee assignments, and the allocation of resources such as lab space and research dollars. This report showed that even women who supposedly break through the glass ceiling and reach the highest echelons of their professions still find themselves bumping up against some gender discrimination.

So I think it's fair to say that when you have some of the best scientists in the world taking a look at this issue in one institution and coming to these conclusions, and then that in turn supports the broader findings that have been derived from looking at society at large, we know that we do have a wage gap that we have to address. And it's not just a gap in wages, it's a gap in our nation's principles and promises.

So it's a great pleasure for me to be here with the secretary of Labor and the panelists whom you'll hear from. And it's a particular pleasure to introduce the president, who reminded Senator Harkin, in my presence, a few minutes ago that until he became president, I always made more money than he did -- (laughter) -- and the wage gap went the other direction in our family. But since I've been a full-time volunteer now for six-and-a-half years, the gap is narrowing even in the Clinton family.

So please join me in welcoming the president. (Applause.)

That is the truth. (Laughter.) But Hillary didn't tell you the rest of the story.

Senator Harkin, whose wonderful wife Ruth was also a part of our administration for several years, she has often made more money than her husband. And so we decided that maybe we should become part of a small but vocal radical caucus saying we shouldn't stop at equal pay, we like it when our wives made -- (laughs) -- more money than we do. (Laughter.) We have enjoyed the benefits of that.

I would like to thank Senator Harkin and Eleanor Holmes Norton for being here and for being long-time champions of this cause. I thank Ida Castro, our EEOC chair, the local officials who are here, and Secretary Herman, who bears a lot of the responsibilities for what we are trying to achieve, for her work.

I'd like to make just a few brief points. Hillary has made most of the points that need to be made, and we all know here we're preaching to the saved and trying to get a message out to the country.

But I'd like to point out, as I tried to do in the State of the Union, that the time in which we are living now in terms of our economic prosperity is virtually unprecedented. We had 4.2 percent unemployment last month. I remember a meeting I had and a huge argument I had in December of 1992, when I had been elected but not inaugurated president, about how low we could get unemployment before inflation would go up. And all the traditional economists said, Man, when you get below 6 percent, you know, you will just see what'll happen. And the American people turned out to be a lot more productive, a lot more efficient, technology turned out to be a lot more helpful, we were in a much more competitive environment. So now we have 4.2 percent unemployment, the lowest rate since 1970, the lowest peacetime unemployment since 1957, 18 million new jobs. But we still have some significant long-term challenges in this country.

We have pockets of America, in rural America, in urban America, in our medium-size industrial cities, our Native American reservations, which have not felt any of the impact of the economic recovery. We still have substantial long-term challenges to Social Security, to Medicare, and we still have a significant fact of inequality in the pay of women and men.

And the central point I would like to make is that we should not allow the political climate or anything else to deter us from concentrating our minds on the fact that this is a precious gift that the American people have received, even though they have earned it. Countries rarely have conditions like this. If we can't use this moment to deal with these long-term challenges, including the equal pay challenge, when will we ever get around to it? That is the message I want America to send back to Washington.

Yes, have your disagreements. Yes, have your fights. Yes, conduct your campaigns. Yes to all this, but for goodness' sakes, realize that this is, at a minimum, the opportunity of a generation, maybe more. And every single problem that we can take off the table for our successors and for our children is an obligation we ought to shoulder and get the job done. That's what this is about.

And those of us who are old enough to remember what the economy was like in the 1970s with the long gas lines; what it was like in the 1980s when we had the so-called "bicoastal" economy and my state and Senator Harkin's state had double-digit unemployment in county after county.

I'm telling you, times get tough and then you go around and try to talk to people about problems like this, their eyes glaze over because even the people who would benefit, they're just trying to keep body and soul together. They're worried about holding on to what they have. We have an opportunity now to make a better America for our children; for all of our children.

And the second point I want to make is the one I made jokingly in the story about Tom and me having the privilege of living with women who made more money than we did, and that is that this is not just a woman's issue. The women who are discriminated against often are in families, raising children with husbands who are also hurt if their wives work hard and don't have the benefits of equal pay.

A lot of the women who are single mothers are out there working, and they have boy children as well as girl children. This is not just a gender issue, and men should be very interested in this.

I can say, furthermore, that I believe that it would be good for our overall economy. You know, you hear all these problems that they say it'll cause the economy if you do this. All this stuff is largely not true. I mean, every time we try to make a change to have a stronger society, whether it's raising the minimum wage or cleaning up the environment or passing the family leave law, the people that are against it say the same thing. And we now have, you know, decades of experience in trying to improve our social fabric. And America has had a particular genius in figuring out how to do these things in a way that would permit us to generate more economic opportunity and more jobs and more advances.

I'd like to make, too, a third point -- not in my notes, but Hillary made me think of it. You know, there are these people now who are out there saying, "Well, you know, there really isn't much of an equal pay problem, because it's almost exclusively confined to women who have children, and women who have children have to have more intermittent periods in the workplace and" -- you know, you've heard all the arguments -- "and once you factor that out, well, there's no problem."

Well, I have two reactions to that. First of all, if you take that argument to its logical conclusion, we would be the most -- we would be depopulating America before you know it. No one else has really figured out any way to bring children around -- (laughter) -- as far as I know, at least. Secondly, if that is true, it still doesn't make it right.

Let's -- if you give the people the entire argument, which I don't the analysis supports -- but if you did, what does that mean? It means that an important part of the equal pay battle should be strengthening the Family and Medical Leave Law, for example -- something I've been trying to do, without success, ever since we signed the first bill -- it ought to apply to more companies, it ought to be more extensive, it ought to cover more situations. You know, we've proved that we can do this without hurting the economy. And if you believe -- I mean, you know, if you believe that having children is a significant factor here, and if you believe, as I do, that's the most important work of any society, then why shouldn't we continue with something that's done so much good -- this family leave law -- to find other ways to do it, to find other incentives for flex time, just all kinds of things we could be doing if this is a problem?

Now finally, let me say -- let's talk a little bit about what I think we can do about this right now. Earlier this year I asked Congress to pass two measures to strengthen our wage discrimination laws and to boost enforcement of existing ones. I ask Congress again to pass the \$14 million equal pay initiative that's in our balanced budget, to help the EEOC identify and respond to wage discrimination; to educate employers and workers about their rights and responsibilities -- you'll hear some pretty impressive people talk about that on our panel in a moment; and to help bring more women into better paying jobs.

Again, I ask the Congress to pass the Pay Check Fairness Act, sponsored by Senator Daschle and Congresswoman DeLauro, which would put employers on notice that wage discrimination against women is just as unacceptable as discrimination based on race or ethnicity. Under current law, those who are denied equal pay because of race can seek compensatory (sic) -- compensatory and punitive damages. This new legislation would give

women the same right. It will make a difference. It would protect employees who share salary information from retaliation. It would expand training for EEOC workers, strengthen research, establish an award for exemplary workers.

We can do more. Today I'm pleased to announce that we want to strengthen our legislation by requiring the EEOC to determine what new information on worker salaries they need to improve enforcement of wage discrimination laws and to find a way to collect that information. The new provision would call on the EEOC to issue a new rule within 18 months to gather, in the most effective and efficient way possible, pay data from companies based on race, sex and national origin of employees.

Addressing wage discrimination takes courage, as our panelists can tell you. It takes courage as an employee to speak out, to gather evidence, to make a case. It takes courage as an employer to recognize problems in pay equity and take steps to remedy them.

Just recently -- let me just mention the experience of one of our panelists -- we saw this courage among the administrators and women scientists at MIT, one of our country's most outstanding institutions of higher education.

Together they looked at the cold, hard facts about disparities in everything from lab space to annual salary. They sought to make things right, and they told the whole public the truth about it, which is a rare thing, and I appreciate what they did. I commend them. I hope their success and their example can be replicated throughout our country.

Now, again I say this should not be a partisan issue, it should be an American issue. And as you argue through these matters this year, I ask you, every time you are in contact with any person in a position to vote on this in Congress or influence a vote on Congress, ask them this simple question: If we don't deal with this now, when will we ever get around to it?

Thank you very much. (Applause.)

END

"Good Morning America," ABC, 4/20/1999

CHARLES GIBSON, Host: We were talking just a few moments ago to Elizabeth Dole, who has just come back from a visit to the areas overrun with refugees, the areas around Kosovo.

Well, the First Lady, Hillary Rodham Clinton, is also talking about a trip to that region. But before she goes, yesterday, Mrs. Clinton was here in New York. She has traveled through -- or maybe I should say stormed through the state of New York, looking very much like a potential candidate. She made eight whirlwind stops in New York yesterday alone.

As ABC's Bill Blakemore reports, rarely has a potential candidate touched so many bases in so little time.

BILL BLAKEMORE, ABC News: (voice-over) Whether she is running or not, her schedule, eight stops in one day, seems designed to show she knows how to, and to show she's a woman

and politician in her own right.

HILLARY RODHAM CLINTON: I love New York, to start with. I always have.

BILL BLAKEMORE: (voice-over) First stop, foreign affairs. Discussion at the U.N. about funding Kosovo refugees, and the announcement that she's going there herself.

HILLARY RODHAM CLINTON: I've been asked to go, I've expressed my very strong interest in going. And as soon as I'm given the green light to go, I intend to go.

BILL BLAKEMORE: (voice-over) Second stop, the environment, Central Park, for a national program that converts old railroad beds into hiking and recreation trails.

HILLARY RODHAM CLINTON: We need your resources, your commitment, your energy.

BILL BLAKEMORE: (voice-over) On women's issues, National Women's Broadcasting Awards at the Waldorf Astoria.

But all this typical First Lady work will go only so far with New Yorkers choosing a senator.

LEE MIRINGOFF, Marist College Institute of Public Opinion: Well, she's not from New York, she's not really from anywhere. She's really from TV, and then she suddenly shows up here. Now she's possibly candidate Clinton. It's a different role, and she has to really make that transformation.

BILL BLAKEMORE: (voice-over) Her fourth stop, education, at Columbia Teachers College. Then artists, recognized at a scholarship dinner.

INTRODUCER: Hillary Rodham Clinton.

BILL BLAKEMORE: (voice-over) Then, with nine hours on the ground, she gets a lifetime award from the Children of Chernobyl Relief Fund.

Stop number seven, a fund raiser for one of her husband's steadiest supporters throughout the impeachment, Congressman Jerry Nadler.

A few weeks ago, her husband told reporters he'd be delighted to help her get out the vote if she runs. Would she welcome his support?

GEORGE STEPHANOPOULOS, ABC News Political Analyst: Well, certainly publicly. I think, though, that even deeper than that is that this is really her chance to show that she can get elected, that she can serve in her own right, not just as his partner.

BILL BLAKEMORE: However she emerges as her own woman, New York State polls show that she and possible Republican candidate New York Mayor Rudolph Giuliani, are now running a dead heat. The lead that she had over him three months ago has worn off.

(voice-over) Her long day ended with a visit to a child care organization. There'll be another

full day in the New York City suburbs today, and Thursday a tour in upstate New York. Topics, farm problems, public school quality, health care reform, and minority group relations.

Run or not, Hillary Clinton is covering all the bases.

Bill Blakemore, ABC News, New York.

CHARLES GIBSON: Will she run, won't she run? It is the political soap opera question that fascinates everyone.

(Commercial Break)

CHARLES GIBSON: If I made you bet \$5 right now, does she run or doesn't she run, what's your bet?

ELIZABETH VARGAS, HOST: I would bet she does run, but I wonder why, I really do.

CHARLES GIBSON: All right, you're on. I can't bet \$5, but you're on for a buck.

ELIZABETH VARGAS: Oh, come on, Charlie, if I can bet \$5, you can bet \$5!

CHARLES GIBSON: OK, I'll go with \$5. I'll go with \$5.

(Commercial Break)

(Local News)

(Commercial Break)

News Conference on Humanitarian Relief for Kosovo, 4/21/1999

HILLARY RODHAM CLINTON, DELIVERS REMARKS ON THE CRISIS IN KOSOVO

APRIL 21, 1999

CLINTON: Thank you and I want to welcome all of you here today. And I very much appreciate your coming. I want to thank those whom you will hear from in a few minutes including FEMA Director James Lee Witt; and USAID Deputy Administrator Hattie Babbitt. Congressman James Moody (ph) who runs Interaction. We also have with us OPM Director Janice LeChance (ph) and Morrison Webb, executive vice president of AT&T.

I also want to recognize the heroic contributions of Refugees International, an organization that is on the front lines of humanitarian disasters around the world. And they lost three

relief workers in a terrible car accident this week in Albania, who were trying to reach the refugee camps.

Before I begin, I want to say a word about the terrible school shooting that occurred yesterday in Littleton, Colorado. I'm sure all of us are joined together in mourning the loss of so many young lives. And we are sending our prayers and sympathy to the families, the loved ones, the classmates of the victims and the entire community. It's hard to imagine this happening again. And at the extraordinary time that we heard about it, I think all of us hoped it were not true.

When we look into the eyes of our own children we cannot even imagine the fear that parents in Littleton must have felt waiting to find out if they had lost their children.

And it is very hard to just comfort a child who seeing it on television, is afraid. Imagine what it is like for the young people who saw their friends die before their eyes. Even if we cannot comprehend or imagine the magnitude of the pain that is filling the hearts of the people of Littleton, we can help with our prayers and our hopes by doing all that is possible to make sure the children there receive the counseling and support they need. Whatever medical and psychological help might be required.

CLINTON: And more than that we can, once again, recommit ourselves to insuring that all classrooms and schoolyards are filled with learning and the sounds of children who are enjoying the everyday give and take of life and not filled with violence and anguish.

We're here to talk about a very different tragedy in another part of the world, but one that is equally demanding of our response. The humanitarian disaster in Kosovo is almost incomprehensible.

You've come here because you do want to help and for that we are grateful because we need that help more desperately than ever. We've seen the horrifying images of children in trains, children separated from families, robbed of their childhoods, their homes and their memories.

Two out of three of the Kosovars have already been forced to flee their homes, often at gun point, without time to even snatch a family photograph from the wall or even to take identification papers or medications on their fearful journeys.

Like all Americans, I have been outraged by recent reports of paramilitary forces destroying health centers and hospitals, driving out doctors and nurses and depriving refugees of much needed medical care.

I've heard chilling examples of what is happening from a doctor whom I met with again just last week. I met with her first last summer when she came to the White House to tell me what was occurring even then as people were being driven into the mountains.

This brave woman, who had worked around the clock, has now become a refugee herself. Last week when she visited me, I could not only tell from her words, but by the haunted pain in her eyes, what she and the people around her have endured.

CLINTON: She had come here -- luckily enough she still had her passport which she smuggled out in the diaper of a nephew she held on her lap -- she'd come here to bear witness and to make sure we understood what was happening to the people of her country.

We are doing as much as we can to ease the suffering of the refugees, but we have a lot of work ahead of us. Some of you have seen first-hand what life is like in those camps as wave after wave of displaced people pour across the borders exhausted and hungry and sick, where international relief agencies are working desperately against time to prevent outbreaks of cholera and other diseases.

You also are aware that, in addition to the camps, there are tens of thousands of refugees being housed in homes in Macedonia and Albania by people who've taken those refugees in. Oftentimes, 20, 30 people living in one room. And those host families are also stretched to breaking point.

To help the people of Kosovo rebuild their lives, we know we have to work as a team at every level of government, in international relief agencies and other charitable organizations, in our businesses, our houses of worship and our communities.

Since the violence began, the United States has contributed more than \$150 million in humanitarian aid including blankets, tents, water jugs and enough food to feed three quarters of a million people. A few weeks ago, I went to Dover Air Force Base and saw the service men and women who have literally been working around the clock loading the food onto pallets to be transported to reach the people of Kosovo.

CLINTON: This week the president called on Congress to pass his \$6 billion proposal for an emergency aid package which includes nearly \$800 million in humanitarian assistance.

The American people, as is the case when events like this occur, have responded with an outpouring of generosity and support. Here at the White House we are flooded with countless calls, letters and e-mails from people who want to know how to help. A woman from Indiana wrote asking whether there was anything the mothers of this country could do to help the mothers of Kosovo.

And another woman from Florida wrote we are so blessed in our beloved country and I really believe that the majority of Americans would like to help in some way, but don't really know how. Well there are ways for everyone to help.

USAID and FEMA are working together to make sure that Americans can do our part through a toll-free number, 800-USAID-RELIEF and the website www.info.USAID.gov. under the Kosovo listing.

Today I'm also pleased that the president will be sending a memo to every employee in the federal government encouraging them to find out what they can do to help as well.

Across the country, people are coming together to try to understand how they can make a difference. On Monday I met in New York with the heads and representatives of major foundations to talk about what more can be done in the foundation community to support those who are on the ground delivering the services.

I'm very grateful to former Congressman Jim Moody and everyone at Interaction for their leadership and commitment. I also know that the American business community has responded and is responding and wants to know what more it can do to be responsive.

Leading corporations from AT&T to Time Warner to Pepsico are urging their employees to help by matching their contributions dollar for dollar. One relief organization, Project Hope, has already received up to \$5 million worth of pharmaceutical supplies.

UPS has donated cargo space to transport food and other goods into the refugee camps. Slimfast is also involved in the relief effort and I'm pleased that their president, Danny Abraham (ph), could be with us today.

Major Internet companies to Yahoo! to Amazon.com to eBay.com are donating prime space on their home pages to the Red Cross, Care and other organizations. I'm especially pleased that Yahoo! and Broadcast.com are running public service announcements as a way of getting more people involved.

These are only a few of the major contributions that we're hearing about and that NGOs are receiving.

CLINTON: All told, I believe NGOs have already received \$25 million in cash in kind donations. This is setting, yet again, a new standard in corporate, indeed, international citizenship.

I cannot tell you how proud I am every time I travel around the world on behalf of our country and I see what American corporations are doing, not only to provide jobs which is the first and most important way to help any country, but also by setting an example of philanthropy and corporate citizenship that is literally helping to transform the way business is conducted and what can happen in a society.

That's why we want to encourage you to continue to be creative about ways you can make a difference. In a few minutes, we're going to find that cash contributions, as you'll hear from our speakers, are often the most effective way to help in an ever-changing situation.

But every donation counts and every donation is helping. I want to say a special word though about Macedonia and Albania, because here perhaps as much as any way, the business community in America and your counterparts in Europe and Japan and elsewhere can make a very big difference.

I just met with the Macedonian ambassador and representatives of the Macedonian government to hear first-hand the impact that this crisis is making on their economy and their country. I thank them on behalf of the president and the American people for what they are doing.

CLINTON: Because think about what it must mean to be in small, poor countries and having to deal with the tens of thousands, now hundreds of thousands of displaced people coming across your borders seeking all manner of help and having all kinds of needs that must be met.

Macedonia, for example, is providing safe haven already for more than 100,000 refugees, but because of the conflict, its trade routes through Serbia have been severed. Foreign

companies are canceling contracts, thereby putting people out of work, particularly in the textile manufacturing sector because companies are concerned about continuing to do business in Macedonia given the instability there.

Now when that happens that exacerbates enormously the strain on the government and the people of Macedonia. Oftentimes these contracts are being canceled at plants that are of considerable distance away from the refugee camps. They are often in plants that are in the center of the Albanian population in Macedonia which is attempting to being host families to take in a lot of refugees, but now people are losing the jobs that they had that supported in the meager way the caring of these people because of these kinds of cancellations.

We cannot let this conflict derail the social, economic and political progress that Macedonia and its neighbors have struggled so hard and for so long to achieve. We also want to be sure that in so far as possible existing contracts and even new investments continue in the region.

And in addition, if there are ways of buying supplies from local producers and suppliers to supply both military and civilian relief needs, I hope we will do as much as we can to continue to boost the local economies in both Macedonia and Albania.

CLINTON: I think that those governments and those people need our support now, and they will continue to need our support in the future.

Because as we work and pray for peace, we cannot lose sight of the fact that there will be a lot of work to do if we are eventually to realize our goals of returning the Kosovars to Kosovo and the rebuilding the economies there, as well in the neighboring countries.

So thank you, thank you for what you've done and what you will do. It is a unique public/private partnership that is one of the hallmarks of the America experience that is not matched anywhere else in the world and has never been matched in history.

It's now my pleasure to introduce someone who's working very hard every day on making sure that our relief efforts are effective on the ground, and that's USAID Deputy Administrator, Hattie Babbitt.

(APPLAUSE)

END

GUN-RELATED PROVISIONS OF OMNIBUS CRIME BILL, 4/27/1999

REMARKS BY PRESIDENT BILL CLINTON AND FIRST LADY HILLARY RODHAM CLINTON

AND OTHER SPEAKERS

SUBJECT: GUN-RELATED PROVISIONS OF OMNIBUS CRIME BILL

OLD EXECUTIVE OFFICE BUILDING

WASHINGTON, D.C.

SECTION: WHITE HOUSE BRIEFING

MRS. **CLINTON:** (Applause.) Thank you all. Thank you. Please be seated.

And good afternoon. It's an honor to join the president in welcoming all of you to the White House this afternoon. We are especially honored to be joined by a very large number of senators and representatives from both parties who are here on the stage for this event; also Secretary Rubin and Attorney General Reno, Secretary Riley, Deputy Attorney General Eric Holder, Undersecretary of the Treasury Jim Johnson. And you will hear in just a few minutes from Senator Feinstein, Senator Chafee, Representative Conyers, Representative McCarthy. Also in the audience is Mayor Paul Helmke from Fort Wayne, Indiana, and Bob Walker, president of Handgun Control, Inc.

We have come together in the wake of a terrible tragedy that has put our entire nation in mourning and that was reminded all of us once again that everything in life pales in comparison to our ability to keep our children safe and out of harm's way. Today our thoughts and prayers remain with the families and friends and the citizens of Littleton as they bid emotional farewells to their beloved children and a dedicated teacher. Yet, even in the midst of this terrible tragedy, we also see the people of Littleton pulling together to pray and comfort and sustain each other, and many of the rest of us are gathering strength and hope from their example.

There are many people here today, out in the audience and on this stage, who have worked tirelessly to create the safe schools and communities that we all want for our children. I particularly want to thank Attorney General Reno and Secretary of Education Dick Riley and Secretary Bob Rubin because they have worked together tirelessly to try to create better conditions to provide for the safety of our children.

I also want to thank all the members of Congress who are here, who have proved that ending the violence and limiting access to firearms can be and should be a bipartisan goal.

There are many others in this room who are on the front lines in creating safer communities -- religious groups, advocates for gun control, victims' groups, child advocates, law enforcement, community, and parent organizations -- and we thank you all for coming. You represent literally thousands, if not millions, of your fellow Americans.

All of us here are searching for answers to what happened in Littleton. I don't know that anyone will ever be able to explain fully the events of a week ago. Nor, I doubt, can we create a perfect set of solutions that, if followed, would have prevented what happened at Columbine High School or would stop forever acts of violence that occur in our communities around our country.

But that does not mean that we are either hopeless or helpless in the face of this tragedy. Instead, we have to work together to come up with the best possible solutions that we can craft, that we believe will make a difference for our children. We come here to say simply that there are some tough things we must be willing to say and some tough steps we must be willing to take if we are to stop the violence.

Now I hope that everyone does know that the vast majority of America's schools are safe. But we also know that these schools in our country are not islands cut off from the rest of society. No school security system or metal detector can keep out the culture of violence that dominates the lives of so many of our children.

When our culture romanticizes and glorifies violence on TV, in the movies, on the Internet, in songs, and when there are video games that you win based on how many people you kill, then I think the evidence is absolutely clear; our children become desensitized to violence and lose their empathy for fellow human beings. Studies show what many of us have believed; that such exposures causes more aggression and antisocial behavior. So today we

must fully acknowledge, once and for all, that America's culture of violence is having a profound effect on our children, and we must resolve to do what we can to change that culture.

It will take strong leadership. I remember well when the president convened the 1996 White House Conference on Children's Television, where television industry leaders joined him in agreeing to air more educational children's shows and also to work with the administration to establish a rating system to help parents navigate what's appropriate and what's not for their kids.

And soon we will have the V-chip available for every home in our country.

But it will take more than strong leadership from the media and entertainment world to stop the culture of violence that surrounds our children. Kids need more caring, responsible adults in their lives, yet when single parenthood and two working parents are on the rise, too many of America's children are growing up alone. Parents are the central figures in their children's lives, but parents need help. They need help from the larger community, and that means all of us -- teachers, police, counselors, community and religious leaders, elected officials. All of us have to help parents find the help they need, and we have to work together to keep our children and our communities safe.

We also know that we have to do everything possible to ensure that young people do not have easy access to weapons. We now know that includes not only firearms but bomb-making materiel.

Now any one of us who hasn't become completely amnesiac about our own growing-up years know that children will have disagreements and arguments. They sometimes will even have fights among themselves. Part of growing up is learning how to control one's impulses, which is often difficult for young people. But there is a very big difference between a schoolyard fight that many of us can remember and what happens today, with the access to the arsenal of guns, rifles, and bombs that the two young men in Littleton were able to bring into their school.

It is criminal how easy it is for children in America to obtain guns. Just last year 6,000 students were expelled for bringing guns to school, and Littleton is the latest tragic example of how the availability of those guns can turn a sense of alienation, of rage, of not belonging, of not fitting in into a deadly encounter. Every day in America we lose 13 precious children to gun-related violence. Every two days, therefore, we lose the equivalent of a classroom of students.

"Guns" and "children" are two words that should never be put together in the same sentence, and this president and this administration have been working hard and successfully to try to keep them apart. I think we all in America should take pride in the passage of the Brady bill, which has denied handguns to 250,000 felons, fugitives, and stalkers. And since the crime bill was enacted, 19 of the deadliest assault weapons are harder to find on our streets. We will never know how many tragedies we've avoided because of these efforts, but we do know how much more remains to be done.

Today we will hear about further steps that we hope all of us are willing to take to make our schools and communities places in which all citizens can live in safety, free from violence and fear.

In a few minutes, the people of Littleton, Denver and, indeed, all of Colorado will be stopping whatever they do for a moment of silence on behalf of those who lost their lives. I think it

would be appropriate here in the White House that we join them, and that we not only use that moment of silence to remember the victims of this tragedy and the perpetrators, but that we think about all of the other children in America who tell us, often, that they're scared, they're scared to go outside, they're scared because they know people who bring guns to school, they're scared because of what they see happening around them. Our first obligation is to try to make our children free from that kind of fear. So if we could just take a moment, in solidarity with the people not only in Colorado who have suffered this loss but people throughout our country on behalf of our children.

(Moment of silence.)

Thank you.

It is now my great honor to introduce someone who has shown remarkable courage in standing up to the gun lobby, who has really put her strongest convictions on the line and become an outspoken advocate of gun control, who knows firsthand the terrible consequences of handgun violence. Please join me in welcoming Senator Diane Feinstein. SEN. DIANNE FEINSTEIN (D-CA): (Applause.) Thank you. Thank you very much.

Let me thank the first lady, I think, for her very stirring words.

And during that moment of silence, ladies and gentlemen, I thought that America really is at a very pivotal time in our history. If we don't stand up now and say, "Enough is enough," when will we stand up?

I think at this time we're all looking for answers, and I suspect that no one answer is going to be found to be all abiding. I think we're going to find, as the first lady just suggested, that it is a combination of a number of different factors. The difficulty parents have today in America. The difficulty in having any precise parameters to what is right and what is wrong. To have evolved into a culture of kind of instant gratification. And where we see the promulgation of a culture of violence surrounding us. And when the society is literally awash with guns.

Sure, there are some regulations. But are they adequate? Hardly. To get anything through this Congress is extraordinarily difficult. And I want to just thank the president and the first lady for stepping forward at this time and presenting to the Congress a package of very precise and very targeted statutes which could make a substantial change.

As for me, I have watched this issue for a long time. I have watched us lose leaders. I have watched us lose family members. And from the day that a man by the name of Patrick Purdy (sp) walked into a Stockton school yard some 20 years ago, I have seen the permeation of violence and guns down to a five-year old in Memphis, Tennessee, who last May took a gun to school to kill his teacher because that teacher had given him a timeout the day before. A five-year old, even before the so-called "age of reason," picking a gun off his grandfather's dresser and taking it to school to shoot his teacher. The way they found it is because they found some of the bullets and traced it to the weapon. And the arrest statement says he wanted to shoot his teacher, and other kindergarteners as well. That to me is the depths of societal woe, and we must begin to think very seriously about it.

For me, since I have been in the Senate, I have tried to concentrate on two issues, one of them being assault weapons and the other being bomb making, since of group of sheriffs in California met with me and said, "You know, it's possible to unload a handbook from the Internet and learn how to steal the equipment, break into the labs and build some of the most explosive bombs." Nothing therein has any legal application, all illegal application. For three years, we've gotten it passed in the Senate, to have it deleted in conference. And I

hope that this year -- we've worked on it with the Justice Department -- that there will be a bomb-making amendment that will pass this that will provide an opportunity that when there is knowledge that this can be used in a criminal way, that it be illegal to post it on the Internet. (Applause.)

In 1994, with the president's support and the Justice Department's support, the Senate passed an amendment which would prohibit the manufacture of 19 specific types of assault weapons. The thrust of that legislation was to dry up the supply of these weapons of war over time, weapons of war because these weapons, unlike a pistol, you don't have to aim precisely, you can hold at the hip. They have light triggers. You can spray-fire. And they have big enough clips so that you can kill large numbers of people before anyone can get to you to disarm you.

These are the weapons that are the weapons of choice for the grievance killers, for the drive-by shooters, what the gangs use and what the drug cartels use. They were all made for military purposes, not for civilian purposes.

The fail-safe of that legislation was to prohibit the manufacture, the sale and the possession of clips, drums or strips of more than 10 bullets. That's in the legislation. And subsequent to passage of the legislation, it is illegal to manufacture these anywhere in the United States.

Aha, but there's a loophole, and that loophole is that it allows for the foreign import of clips, drums, or strips of more than 10 bullets made in some 20 different countries. Consequently, since 1984, these clips have been rolling into the United States. In the last six months alone, the Bureau of Alcohol, Tobacco and Firearms is approving permits for 8.6 million of these, some of them as big as 250,000.

Well, about a year and a half ago, we explored whether the president could use his executive authority to ban the importation, and the Justice said no, it will take legislation. So I've introduced legislation, which came to a vote in the Senate last year, got 44 votes. We will reintroduce it, hopefully sooner rather than later, because the thrust of this, again, is to dry up the supply of these big clips over time and make them less available to people.

Mr. President, I want you to know that I fully support the measures you've submitted to the Congress. I am hopeful that we will be able to take immediate action. I think the people of this nation deserve no less, want no less. And it is my very strong feeling that a dominant majority of the people of this nation will support your targeted measures, and I certainly know that's true for California. So thank you both very, very much. (Applause.)

And now, if I may, it's my great pleasure to introduce someone from the other side of the aisle that I deeply respect. Senator John Chafee has approached his career in Washington with one overarching goal: to operate through consensus and cooperation, wherever and whenever possible, in order to get things done.

And this is the case when it comes to enacting reasonable and common-sense measures to limit gun violence. He was an early proponent of the Brady law, which imposes a waiting period of three days for handgun purchases, and he sponsored laws also to ban a range of assault weapons. He is now an original co-sponsor of a bill to make permanent the Brady waiting period.

He is also an original co-sponsor, with Senator Boxer, of the Firearms Rights, Responsibilities, and Remedies Act.

This bill would provide that any person or entity harmed by gun violence, including city and county governments, has the right to sue gun manufacturers, dealers, and importers. He's

also a sponsor of the Durbin-Chafee Children's Access to Firearms Prevention Act. This bill encourages adults to take steps to ensure gun safety in homes with children. It will provide penalties for parents who leave guns around the house without safety locks.

He's a man -- I think, a giant -- in the Senate; a very fine United States senator, and I am just delighted he's here today. Would you warmly welcome Senator John Chafee from the great State of Rhode Island.

(Applause.)

SEN. JOHN CHAFEE (R-RI): Thank you. Thank you. Well, thank you very much, Dianne, for that very, very kind introduction. And I think we all owe a big round of applause to Dianne for the work she's done in connection with these. (Applause.)

Mr. President and Mrs. Clinton, I want to first thank you for all the leadership you've given in this effort. And it's going to take -- we've got to be buckled down for the long haul here. It's not going to be easy, but with your leadership, I'm confident that we can achieve the results that we all seek.

I appreciate your asking me to be here with you today to talk about the shocking and deplorable problem of gun violence in our nation's schools. Reporters and commentators alike refer to "school violence." I can't help thinking to myself, this isn't about schools. It's about guns. This is about the insanely easy access Americans, including American children, have to guns. This is about the distorted interpretation of the Constitution that convinces otherwise rational citizens that it's their inalienable right to be armed to the teeth. It's the strangest way they've got that figured out. (Laughter.)

Too many of us shake our heads and say there's nothing we can do. Too many of us are quick to blame society or the media or Hollywood or the Internet, but too few of us are willing to do what needs to be done to ensure that guns stay out of the hands of children. Now is the time for passage of the Child Firearms Access Prevention Act, which Dianne touched on, which would hold adult gun owners liable if their weapons are used by a child to harm himself or someone else. (Applause.) Now is the time for passage of the Child Safety Lock Act, which would require a safety lock to be sold with each new firearm. Now is the time for a permanent waiting period before the purchase of a handgun and of legislation that forbids unlicensed sellers to peddle their wares at gun shows without conducting any background checks. (Applause.)

Let us not blame everywhere, but where it most belongs, with the gun industry and with the government that protects it. When we look at gun violence in other industrialized nations, listen to these statistics. They're shocking. Our culpability is clear. According to the Center for Disease Control, U.S. children are 12 times more likely to die from firearm injuries than our children in the 26 other industrial nations combined. In all those other nations combined, the child has one-twelfth of the chance of dying from firearms injury compared to a child in the U.S.

To those who say there's something terribly wrong with an American culture, a culture that breeds the sort of children who are capable of wreaking such carnage, I say it isn't our American culture that's wrong; what's wrong is our love affair with guns. (Applause.)

Now it's my honor to introduce John Conyers, the ranking member of the House Judiciary Committee. Among his many distinctions, which include being a founding member of the Congressional Black Caucus, Mr. Conyers is the second most senior member of the House of Representatives. He is now serving his 18th term. John Conyers.

REP. JOHN CONYERS (D-MI): (Applause.) Thank you very much.

I want to thank the president and the first lady for their courage and leadership in the wake

of the Littleton tragedy. On all fronts, the president and the first lady and all of us here today, in the administration, and especially the Congress, continue to show us what leadership really means when the going gets difficult.

Now, the tragedy in Colorado was one of unprecedented proportion, but the sad truth is that each and every day, in every city and state, we experience firearm tragedies that snuff out lives that are just beginning. Each day in America, there are nearly two dozen firearm homicides. That amounts to a couple hundred a week. That's nearly 10,000 a year. And it doesn't include the 18,000 gun suicides that we experience each year.

That comes to a total of 35,000 gun deaths in the United States annually.

Ladies and gentlemen, it's got to stop. We can do better, and that's why we're called to this place today. Those numbers compare to two handgun murders in New Zealand a year, 15 in Japan, 30 in all of Britain -- all countries that have meaningful gun control.

Now the best guess is that there are over 250 million guns in America, nearly one for every citizen of this country. Our streets are swimming with these weapons of death and destruction. Handgun murders are the leading cause for the death of African American men ages 15 to 34. And overwhelmingly all the data shows that in non-recreational settings, firearms are almost always used aggressively, not defensively.

The major political impediment to passing meaningful measures to keep guns out of the hands of the criminals is the National Rifle Association, who, in my judgment, has a choke hold on so many of the members of the Congress -- the NRA, who makes a killing selling guns.

Tomorrow in the House we plan to mark up the juvenile justice bill, and in the Judiciary Committee we will use all of the procedural rules at -- that I have to try to get a vote on some of the issues that have been discussed here today. Let's start tomorrow trying to pass the measure that President Clinton has put forward. (Applause.)

The families of Littleton want to hear from us. The families of tens of thousands of murder victims in America want to hear from us. And it's an outrage, and I call upon the chairman of the Judiciary Committee and the speaker of the House to schedule this proposal for action on the House floor before the Memorial Day recess. We want action now. (Applause.)

Yes, we can mourn and honor the victims of Littleton with words, or we can mourn and honor those victims with action. I know which one of the two choices that I will make, and everyone here, and I think that if we don't move now, we're losing a tremendous movement, a feeling in this country that I don't think I've ever noticed before that now is the time for the feelings of most Americans to be actualized in federal legislation.

And now, my friends, I want to introduce a member who has distinguished herself, from New York, Carolyn McCarthy. We consider her to be the conscience of the Congress on guns, and we present her to you at this time. (Applause.)

REP. CAROLYN MCCARTHY (D-NY): Mrs. Clinton, President Clinton, thank you for bringing us all here together today.

Last Tuesday, I was sitting in the Educational Committee and someone from my staff came up to me and just tapped me on the shoulder, and said, "Congresswoman, another school shooting." You have to understand, when you are a victim, the feelings that go through you. I thought of when my brother told me that my husband was killed on the Long Island Railroad, and told me that my son was fighting for his life. I thought of Suzanne Wilson, who lost her daughter last year in Jonesboro. I thought of all the other school shootings that

we've seen in the last year and a half. I thought of all the committee hearings that we've had in the last year on how to deal with this issue.

And then I thought of all the victims in the last number of years that have lost someone. And here we are, talking about what can we do.

I have to tell you it's extremely frustrating, because we are faced with silence all the time. We're hearing from the other side already: "There is nothing we can do." I'm sorry, you have heard of so many proposals; there IS something we can do. There has to be something that we can do. (Applause.)

All of us here, every single one of us here -- and, believe me, a lot more -- are willing to fight for the American people. We're willing to fight for our children.

But you know what's going to happen? We'll go to committee, and there will be silence as the shootings go on. When we go to the speaker of the House and beg for a debate on the floor, there will be silence, and the shootings will go on.

We will fight for you, but I have to tell you, the American public's voice has to be heard. We have to hear from you. (Applause.)

"It's not going to work." Is that what you want to keep hearing? "It's not going to work. You can't do it." Please.

We're burying our children in Colorado, and tomorrow we'll be burying 13 more, and the day after that we will be burying 13 more -- every single day. Do we have to have a larger mass of killings for America to say, "Enough is enough"? Please don't let that happen.

Please, I'm asking everyone out there, call your representative. Let's hear from you. Give us the strength to keep fighting. Give us the power to win, because I have to tell you something I've learned in the very short time since I've been here in Congress: When enough people outside of Washington start calling into Washington, wow, people start listening. "Gee, maybe we should look at this."

Think about HMOs. Why are we even talking about it in Congress? Because the American people are demanding it.

I'm a nurse. Let's talk about what it's costing our health care. Because we've seen homicides go down -- and that's wonderful -- can we talk about the billions of dollars it's costing us because more of our young people are surviving? I know Secretary Riley would like that money for his education. I know the president would like that money for health care.

We can do this, people. We can do this, but you got to help us. I don't want to hear at the next violent shooting, "We can't do anything." I've heard it too many times in the last two years. We have to have your voices. Don't say that Congress can't do anything. You can make Congress do something.

President Clinton was there for my family when my husband was killed, and he tried to make this a safer nation, and he has. And I want to thank him for calling me or taking my call the night of last Tuesday, because I have to be honest with you; I didn't want to hear about another shooting. And I said to the president, "We have to do something." When he responded, the pain that was in his voice was so real, because he does feel the pain of the families and the children that have died, and he has seen too much. And I want to thank him for his dedication.

This is not an issue that politicians really like to push, believe me.

But the president has been on the forefront, and I want to thank him for helping me to initiate all the bills that are here and all the initiatives that we're going to take. And I'm certainly going to be fighting for the Children's Safety Protection Bill, because that's my job. No, all of us.

The large-capacity clips, some say that wouldn't work. Well, tell that to the three young people that died on the Long Island Railroad if there was only 10 clips -- 10 bullets in a clip instead of the larger clips. Child safety locks. Tell that to Catherine Murphy (sp), who lost her daughter, son, because somebody didn't lock their gun.

Mr. President, it's my pleasure to introduce you. And thank you again for your leadership.

PRESIDENT CLINTON: (Applause.) Thank you. Thank you.

Thank you very much, Carolyn, John Conyers, Senator Chafee, Senator Feinstein, all the many members of Congress who are here. I thank the attorney general, the secretary of the Treasury and the secretary of Education. I'm glad to see my old friend Mayor Helmke and Bob Walker and others here. We have, I think, over 40 members of Congress here and two senators who went back to the floor to fight for this issue to be put on the floor today.

I would like to do two things. First, I want to tell you specifically what we are proposing, and I'll do that. But secondly, I would like to tie what we are proposing to all these culture arguments, and talk about, if you will, at least two cultures that exist in America, and say that I think this in the end is going to come down to what our conception of America as a community is and what our responsibilities to one another are.

I want to begin by saying that a lot of people have made remarkable contributions, I think, to this effort to get us to look at the violence of our culture and how it makes the most vulnerable of our children, without regard to their income or their social status, closer to the line of taking violent action, and how it complicates family life for everyone. I want to thank Hillary for what she's done. I also want to thank Al and Tipper Gore, who have done enormously important work on this for years to try to help us deal with the TV issues, the ratings, the V chips, and now the new efforts we've been making with the Internet community to give parents some more control over that, and the efforts we'll have to make to train the parents to figure out to do it, since their kids all know more about it than they do.

But this is very important stuff. In June, Tipper Gore's going to host our White House Conference on Mental Health, and the attorney general and Hillary and I were just talking about some of the things we can do to help to make sure that all of our schools have the adequate mentoring and mediation and even mental health services our kids need. All this is very important. And we have to deal with that.

But if you believe that we have special cultural challenges, it seems to me that that's an argument that we ought to bend over backwards to try to remove the opportunities for bad things happening if we have more kids that are vulnerable to doing those things, not an argument that we ought to say, well, we should walk away from that and just try to make sure everybody individually in the whole country never does anything wrong.

And what's the real problem here? The problem is we have another culture in our country that I think has gotten confused about its objectives. We have a huge hunting and sport shooting culture in America, and unlike many of you, I grew up in it. I was 12 years old the first time I took a 22 and shot it at a can on a fence post in the country. I know about this. We always talk about the NRA. The NRA has been powerful not only because they have a lot of money but because they can influence people who vote. And in that culture, people believe everybody should be personally responsible for their actions; if you just punish

people who do wrong more harshly, fewer people will do wrong; and everybody tells me I've got a constitutional right to keep and bear arms, so don't fool with me; and every reasonable restriction is just the camel's nose in the tent; and pretty soon they'll come after my shotgun and I'll miss the next duck hunting season. And we smile about that, but there are some people who would be on this platform today, who lost their seats in 1994 because they voted for the Brady bill and they voted for the assault weapons ban, and they did it in areas where people could be frightened.

And the voters had not had enough time, which they did have within two more years, to see that nobody was going to take their gun away.

So we have more than one cultural problem here, and I want to make a plea to everybody who is waiting for the next deer season in my home state to think about this in terms of what our reasonable obligations to the larger community of America are.

Do we know for absolutely certain that if we'd had every reasonable law than the ones I'm going to propose here, that none of these school violence things would have happened? No. But we do know one thing for certain; we know there would have been fewer of them, and there would have been fewer kids killed in the last several years in America. We know that for certain. (Applause.) We know that.

And cultures are hard to change, and cultures should never be used to avoid individual responsibility. But we -- when we get to where we change, then we wonder -- we look back, and we say, "How could we have ever done it otherwise?"

Let me ask you something. Next time you get on an airplane, think about how you'd feel if the headline in the morning paper right before you got on the airplane was, "Airport metal detectors and x-ray machines abolished as infringement on Americans' constitutional right to travel." Think about it. That's the headline in the morning paper. Then right next to it there's another headline: "Terrorist groups expanding operations in the United States." And you read the two headlines, and you're getting on the airplane, exercising your constitutional right to travel, which is now no longer "infringed" by the fact that you might have to go through the metal detector twice and take out your money clip or take off your heavily metaled belt, and that somebody is x-raying your luggage as it gets on the airplane. It's unthinkable now, isn't it?

This will become unthinkable, too, that we should ever reverse these things, if we ever have enough sense to do them. (Applause.)

Now -- but we still have a cultural and a political argument that says to defend Americans' rights to reasonable hunting and sports shooting, we have to defend the indefensible as well. This is -- it doesn't make any sense at all unless you're caught up in this sort of web of distorted logic and denial.

But Carolyn McCarthy may have made the most important point here. You know, we're all in here preaching to the saved. You wouldn't be here if you didn't agree. But somebody needs to call these members that grew up where I grew up, that lived in the same culture I did, that belong to both parties, and say, "Hey, we've got to make this like airport metal detectors and x-ray machines. This is about our community. This is about our responsibility to our children. This is about protecting our children and the vulnerable children themselves from people who are about to go over the line, here." And this is crazy that we're living in a society that takes no reasonable steps to protect the larger community.

So it's not just the culture of violence that has to change; it's the culture of hunting and

sport shooting that has to stop financing efforts to frighten their members who are good, God-fearing, law-abiding, tax-paying citizens out there into believing that every time we try to save a kid's life it's a camel's nose in the tent, you know? (Applause.)

I have had to go through those metal detectors as many as three times back when I had a real life -- (laughter) -- and I was traveling around because I had all kinds of stuff in there. You know, and every time I started to get a little aggravated, I'd think, "Boy, I don't want that plane to blow up." (Laughter.) You know? Make me go through a dozen times if you want to, and the person behind me.

Now, we've got to think about this in that way. These are the folks we have to reach. When there are no constituents for this movement, the movement will evaporate. When people from rural Pennsylvania and rural West Virginia and rural Colorado and Idaho start calling their congressmen and saying, "Hey, we can live with this. We can live with this. This is no big deal, you know? I mean, we're just out there doing what we do. We believe -- we'll gladly put up with an extra hassle, a little wait, a little this, a little that, because we want to save several thousand kids a year."

That is my challenge to you. (Applause.) That is what is going on.

Now here are the things we want to do. A lot of you won't think they're enough, but you remember the culture. You change the culture, we'll change the laws. You change the message, we'll do it. And none of them have anything to do with anybody's legitimate right to hunt.

First of all, we ought to strengthen the Brady law. (Applause.) It's kept 250,000 felons, fugitives, and stalkers from guns. The states now have the Insta-Check (sp) system, which is good. The mandatory waiting period has expired; that's bad, because we need it, in addition to the Insta-Check (sp) system, to give a cooling-off period to people who are in a fit of rage. It's important.

The law that we would present, the act, will also prevent juveniles who commit violent crimes from ever buying a gun. It would apply the Brady law's prohibition to juvenile violence.

It would require Brady background checks on anyone who wants to buy explosives -- very important. (Applause.)

And it would abolish, at long last, as Senator Feinstein said, a dangerous loophole that was likely exploited in Littleton, which allows people to buy weapons at gun shows without any background checks at all. (Applause.)

Now -- now you need to go make this case on this gun show deal. I don't know how many of you have ever been to one of these gun shows. I've been to gun shows in rural America, and people walk around, you know, and they got their -- they've got their cars, and they've got their trunk open, and people walk in and say, "This is nice, and that's nice, and this is a hundred-year-old rifle," and blah, blah, blah. And then they say, "Aw, this is just too much hassle, you know." And the people pay cash, and you know, nobody, you know -- so it's going to be a hassle for them. It's worth it.

AUDIENCE MEMBER: That's right.

PRESIDENT **CLINTON**: It's worth it. (Applause.) And we're sorry; it's worth it.

You don't have to pretend it won't be a hassle. Tell them you know it will be a hassle. It's worth it. People's lives are at stake here. AUDIENCE MEMBER: Amen.

PRESIDENT **CLINTON**: What they started -- what these shows started out doing, which was a good way for people who lived in rural areas -- started out in primarily rural areas, who enjoy hunting and are interested in different kinds of weapons, to have an interesting experience on a weekend afternoon, has turned out to be a gaping loophole through which criminals

and deranged people and other people get guns they could not otherwise get.

And so we have to say -- we haven't asked you to abolish your gun shows, but we've asked you to undergo the inconvenience necessary to save more lives. We don't have to be insensitive, we just have to be determined. But I'm telling you, if we don't do something about this gun show loophole, we're going to continue to have serious, serious problems. And it's very important. (Appaluse.)

The second thing we've got to do is to strengthen the assault weapons ban, to close the loophole that allows dealers to sell older high-capacity ammunition magazines manufactured abroad. Now, I bet you when Senator Feinstein was talking about this, you thought, "Now, who in the world could be against this?" I actually had a conversation with a member of Congress who said to me -- serious, a good person, who's a really good person -- when we were doing this back in '94, a really good person, this person I was talking to, who told me -- (laughter) -- let me tell you -- I just want you to understand what the argument was -- he said, "But you've got to understand, we've got people who use these bigger magazines for certain kinds of sport contests."

And I said, "Well, so what?" (Laughter.) But he said, "They'll beat me if I vote for this." I said, "They'll beat you if they think all you're doing is making their life miserable because some Washington bureaucrat asked you to do it. If you can explain to them that it's worth a minor alteration in their sporting habits to save people's lives, they won't beat you."

But my point is, you've got to help these people. See, you hear this, and you think, "God, this is a no-brainer, this is a hundred-to- nothing deal, who in the wide world could ever be" -- you have to understand, there is another culture out there, and almost everybody in it is God fearing, law abiding, tax paying, and they show up when they're needed, and they don't like this because they don't understand that if they do what you're asking them to do, they can save a lot of lives.

And we have got to fix this. This is just pure mathematics you're going to have fewer people die if you get rid of these magazines.

So you need to go out there where the problem is and debate your fellow citizens and discuss it with them. It's important.

The third thing the legislation would do is to raise the legal age of handgun possession from 18 to 21 years. (Applause.) It would also strengthen our zero tolerance for guns in schools, which, as one of the previous members said, had led us to 6,000 suspensions or expulsions last year, by requiring schools to report to the police any student who brings a gun to school and requiring that the student get counseling.

That, I think, is very important.

The provision holding adults criminally responsible would only apply but -- this is quite important -- but it would apply if they recklessly failed to keep firearms out of the reach of young people. This would mandate a steep increase in penalties for adults who transfer guns illegally to juveniles; it would require child safety locks to be sold with all new guns. (Applause.)

Finally, it would crack down on illegal gun trafficking, doubling the number of cities now working with the Bureau of Alcohol, Tobacco and Firearms to trace every gun seized by the police. I know this is very important to Congresswoman McCarthy. (Applause.) It would require that dealers submit information not only on the guns they sell, but on used guns which are often very hard for law enforcement agents to trace. It would significantly

increase penalties for gun runners caught trafficking large numbers of firearms. It would establish a national system, as soon as it's feasible, to limit handgun purchases to one a month, following the lead of Virginia. (Applause.)

You know, I've got to say, this is very interesting. When we were going over the list of things we wanted to propose, some people said, "Well, that might be a loser because it sounds to people who care about this like that's too many, and, you know, what is this?" You know, the states that have had big problems in the past with lots of illegal gun purchases and guns then being used for illegal purposes -- Virginia did this and it really helped them. This was a big deal. And, I just talked to Senator Robb about this a couple of days ago, and he said, "You know, all I can tell you is it's working in our state." So I would ask you to seriously consider what this might mean for our efforts to control the law enforcement aspects of this. So, these are the things that I wanted to say. But I hope you'll remember what I said to you about the culture. We do have to keep working on the culture. Hillary's right about it, Al and Tipper Gore are right about it. We've got a lot of responsibilities. We've got to keep working on the services that kids -- we've even got to work on making, helping parents actually communicate with their children.

One senator called me the night before last and said he'd had a town meeting in his state with children. And he asked how many of the school children had actually talked with their parents about what happened in Littleton, and only 10 percent of the kids raised their hand. And one child said, "I had to go and turn off the television and tell my parents we were going to talk about it." She said, "They're just scared. You know, they're scared. They didn't know how to talk about it." So there are all these cultural issues.

And then there's this big cultural issue of the gun and sport hunting culture.

And I hope that -- a lot of my folks at home might take offense at what I said today, but I'm trying to help explain them to you. And I felt comfortable taking on these issues, and I thought maybe I was in a unique position to take on all these gun issues all these years because of where I grew up and because I understand how people think who don't agree with this.

But I'm telling you, we've got to keep working until people start thinking about this stuff the same way they think about x-rays and metal detectors at airports. That's the goal. It -- we have to redefine the national community so that we have a shared obligation to save children's lives, and we've got to get out of this crazy denial that this won't make a difference. This -- it's crazy, it won't make -- just because it won't make all the difference doesn't make -- mean it won't make a difference. It will make a difference. (Applause.)

And so -- so I implore you to remember what these members have said. I implore you to go out and get people going at the grass roots, as Carolyn McCarthy said. We need help. We can pass all this if the American people want it bad enough. We can pass it all if the American people want it badly enough. And we don't need to go through another Littleton for the American people to want it badly enough. You can help make sure that happens. Thank you. (Applause.)

END

"The World Today," CNN, 5/19/1999

Hillary Rodham Clinton Discusses Her Trip to Macedonia

CHRISTIANE AMANPOUR, CNN SENIOR INTERNATIONAL CORRESPONDENT: As first lady, Hillary Rodham Clinton has made scores of trips overseas with her husband, President Clinton. But she has also made at least 60 solo trips, but not as much as known about that.

Now, in her first interview in nearly a year and a half, Mrs. Clinton joins us to talk about her activism in the role of foreign policy, and about her recent trip to Macedonia.

Thank you very much for joining us.

HILLARY CLINTON, FIRST LADY OF THE UNITED STATES: Thank you, and I'm delighted to be here.

AMANPOUR: You were at the camp today, one of the biggest camps in the region. What struck you about what you heard there?

CLINTON: Well, I think my overwhelming impression was that what had happened to these people, the Kosovars, is just unforgivable and unforgettable. We have to do everything we can to enable them to return home in peace and in safety.

And I heard a lot of stories. You know, it's very hard when you're talking with people who you never met before, and you feel almost like you're intruding, but they want to tell you about what it felt like when they lost their children -- their hands were pulled away in a crowd of people being pushed by Serb police to get on trains, or when they, all of a sudden, were pushed from their home, and a husband loses a wife because she was visiting her father.

I heard so many stories in such a short period of time, and they confirmed what I've already heard from refugees in the United States and in London, and what I knew to be the case from other reports.

So I was very much saddened by what I heard and what I see happening, but also very sure that we are doing the right thing to try to enable these people to have a life and to end this century on a note of commitment to human rights in Europe.

AMANPOUR: Many people are saying that success in this mission is basically what happened to those refugees; success will be defined by getting them back.

What can you say to those people who say that it's gone on for a long time, and we are really worrying now?

CLINTON: Well, first of all, that's not what they said to me. They thanked me and asked me to thank my husband, and they said they were very grateful to the United States and to NATO.

And I think many of them of course are frustrated. It would be awful living in a camp, having lost your home, your possessions and maybe even family members. And I understand that, and I feel terrible about it.

But they have been subject to Mr. Milosevic's ethnic cleansing campaign for a long time. It started in small ways about 10 years ago where the Kosovars were forbidden to go to the theater or to the sports stadium, and then the schools were closed, and then they were afraid to drive their cars on the road. And then a couple of years ago they started being pushed out of their homes. And then last year we saw thousands of them in the mountains.

So this has been a long-term, deliberate policy by Milosevic. And we are attempting to reverse a decade of deliberate, persistent ethnic cleansing that has of course come to a crescendo in the last weeks.

And I know that in today's world of instant news and 24-hour coverage, 50 days may seem like an eternity. But in the kind of concerted effort that NATO has undertaken to bring about these changes and return the refugees, I don't think that it is a very long time at all. And when we are successful, as I know we will be, it will be exactly what needs to be done to send a very clear message not only to Milosevic but to anyone in this region, and I hope throughout the world, that this kind of action will no longer be permitted.

AMANPOUR: You called Milosevic's policies evil today, and many others have as well. Do you think Slobodan Milosevic should be indicted on charges of war crime?

CLINTON: I think that's a discussion that will have to take place at some point. But right now I think the immediate goal is to persuade him or defeat him, whichever is necessary, that he must reverse this policy. And if our primary objective, as it is, is to return the Kosovar refugees and give them the security they need to live at peace in Kosovo, then I think we need to put our attention and all of our resources on achieving that goal first and foremost.

AMANPOUR: Many people say he's still there, he's hunkering down, he's basically taking this beating right now and that it won't happen -- the defeat or the roll back -- unless there are ground troops. I can't ask you about policy, because that's not your role, but I'd like to ask you about principles.

During the Bosnia war, the Bosnians said, if you're not going to fight for us, let us fight for ourselves. For a long time they never got weapons. In the end, the West realized that they needed weapons and it made a difference when they got them. The KLA now is saying the same thing. As a principle, do you think it's fair to deny them the ability to fight if NATO says that it won't fight on the ground for them?

CLINTON: Based on the intelligence and information that I'm aware of, it seems very clear that the bombing is having an effect and that Mr. Milosevic and those with whom he governs, who are a very tight circle, are beginning to feel that. You don't see the bravado and the rock concerts and the like because they are suffering. And I believe that, if we continue the pressure that we have been inflicting on him, that there will be a roll back, and there will be a return of the refugees.

And I think that we ought to keep, again, our focus on what is working -- and it is working -- and be prepared to see it through.

AMANPOUR: There are many who say, and who bemoan -- many outside of the United States -- what they believe is a political climate that makes it impossible for the United States to commit in any way other than a casualty-free way, in other words to commit from 15,000

feet up. Do you agree that the political climate is such that -- prevents going the whole way, so to speak?

CLINTON: Well, I think if you define the whole way the objective, which is to return the refugees with appropriate security, I believe that the strategy that we are pursuing is likely to work. So I don't know that it's useful to speculate on what might come next, or what might be necessary.

Now it is always difficult to obtain the kind of political support for any action off of one's shores. I know that, in Europe, there's a constant effort to keep public opinion and political support, and it is the same in the United States. But I've been personally very pleased to see that public opinion in the United States is supporting the president's policy, supporting the Kosovar refugees, and I think we can maintain that till we are able to see our way clear through this.

AMANPOUR: We're always told Americans don't care about foreign news, don't want to know about foreign news; do you think that's right, or do you think Americans do care about what's going on in the world?

CLINTON: Yes, there is always a tendency in American history as one goes back, not even very far, to before the Second World War for us to feel quite isolated from the world's problems with our two big oceans on either side of us. But it is becoming increasingly clear, and it surely should be with what is going on here in the Balkans, that we stay isolated or disengaged at great risk. Because when it comes down to making difficult decisions, the United States must be part of the solution, not only in Europe but in other parts of the world.

So I've spent quite a bit of time in the last several years talking with Americans and encouraging more American interests and support for international engagement.

AMANPOUR: We're going to take a short break. And when we come back, we'll ask Mrs. Clinton about her own political views and aspirations.

(COMMERCIAL BREAK)

AMANPOUR: You have had a great impact on a certain area of foreign policy. Along with the secretary of state, I believe you have made the issue of women's rights a U.S. policy objective. What have you achieved, and what does that mean exactly? For instance, take the Taliban, the repressive people who are ruling Afghanistan right now. What does that mean for them, for instance?

CLINTON: Well, let me answer that first generally and then specifically. Starting with the Beijing conference in 1995, we made it very clear that women's role and participation and rights were something that were important to democracy and economic advancement, and both of those were in America's interest. And certainly with Secretary Albright becoming secretary of state, she and I both spoke at the State Department and made clear that as a matter of American foreign policy, we wanted to support women's objectives and rights around the world.

Now what that has meant is that we have seen issues a little differently than we used to. We understand that if women are denied education and participation, it's less likely that the society in which they reside will be a stable one or a friendly one. If women do not have

access to the full range of economic opportunities, then it's less likely their societies will be economically successful. That's something that's been proven time and again.

And on specific issues where we have encountered gross abuses of women's rights, such as the trafficking of women as though they were pieces of goods, or more sinisterly as drugs, we've spoken out against that as a nation -- that has been raised in bilateral conversations. And specifically with the Taliban and their very gross mistreatment and denial of rights to women, we've made it clear that that regime would not be recognized until it took steps to include women as citizens -- as human beings.

The secretary has memorably said, and I have repeated it on many occasions, that the kind of violence and discrimination against women that we see still too often around the world can no longer be excused as cultural, it needs to be called what it is: it is criminal. And it is something that the United States has a vested interest in recognizing and including as part of the way we evaluate our positions around the world.

AMANPOUR: There have been critics, most recently Michael Mandelbaum, I believe, in "Foreign Affairs," who said that American foreign policy has become, sort of, a social work versus pragmatism. Since you do so much of these democracy and civil society, activism, women's rights, do you -- is that a fair criticism do you think in today's world?

CLINTON: Well, I think that it is very practical to look at the human needs of people around the world and factor those into foreign policy. Certainly during our Cold War years we were forced to sweep a lot of human rights abuses and denial of development and other matters under the rug, if you will, because we had a very specific objective, and that was to protect ourselves against Soviet expansionism, and to do everything we could to prevent countries and societies from falling prey to that.

Now that we no longer face that kind of threat, I think it is practical to see the world in a different way. Certainly our values remain the same, but if we want to have the United States be respected and recognized, as it now is, as the leader of the world, if we want to have friends and partners in every area from commerce to strategic involvement, then I believe we have to recognize the legitimate aspirations of the people in the societies with which we wish to do business.

So I don't view that as impractical. In fact, I view it as a long overdue practical assessment. Realpolitik, of course, means that we look at how countries are strategically located, and what our interests with them are, and how we balance them, but we now know that with the explosion of information, and with a continuing clamor for individual rights from all different kinds of groups -- not just women, but many ethnic, religious, racial groups -- it would be shortsighted of the United States not to factor that into our calculations.

So when I go around the world and I advocate for girls education, for example, it is because we have evidence and reason to believe that well-educated populations are more likely to understand and deal with the challenges of today and tomorrow, and therefore more likely to be involved in relationships that are positive with the United States.

AMANPOUR: You seem so committed, and you seem to get so much professional and personal satisfaction from what you do abroad, and you have the freedom to do it as first lady. Why would you give that up to become a senator in New York?

(LAUGHTER)

CLINTON: Well, I'm not sure that I can answer that question completely, and I -- if I make the decision to run for the Senate, I will have a lot to say about that.

But no matter what I do in the future, whatever course my life happens to take, I'm going to stay interested and involved in these issues, because I care deeply about them, but I also think they matter greatly. So no matter where I go or where I end up, in the next century I'll be, I hope, speaking out on behalf of these matters.

AMANPOUR: Have you -- are you any closer to making your decision?

CLINTON: Well, I will have something to say about that when I am ready, and it isn't here, in Macedonia, that I would talk about that.

AMANPOUR: Will it be in the spring, the summer the fall? Can you give us a little timeframe.

(LAUGHTER) CLINTON: It will be sooner instead of later, I think it's fair to say. This summer is not too far away.

AMANPOUR: A lot of the people I talk to, a lot of the women that I meet from traveling overseas, are very impressed by you and admire your dignity. A lot of the people you meet are people who suffered, people you saw today, and who believe that they identify with you, because they have seen you suffer.

And in a speech in Africa last year, you spoke about living for hope and reconciliation, living for forgiveness and reconstruction, and living for a new life -- have you been able to apply that to your own circumstances? Have you been able to forgive your husband?

CLINTON: I believe deeply in forgiveness and reconciliation, on an individual basis and on a societal one, as well. And, I think forgiveness is an ongoing effort and challenge, and it is something that I think about and engage in nearly every day -- on little matters, as well as the obvious large ones. And I feel very committed to that kind of life. And so, for me, it is a choice that I make about how I wish to live my life, and I'm very gratified that my husband and I have a very strong relationship and a lot of understanding of one another and a great commitment to each other and that we both appreciate the role that forgiveness has to play in anyone's life. Part of it is our religious faith and part of it is just our experience of human nature and how one always has to be ready to forgive if one wants to go on and live without bitterness and hope.

I was thinking about that today in this refugee camp. I thought about it when I went to Bosnia. These people will confront much more difficult challenges to their capacity to forgive: seeing loved ones killed, losing track of children maybe never to see them again. And yet, I think they understands, as I do, that life is always unpredictable and often unfair, and yet we have to make the decision every day, will we live it with hope or not?

You know, a few weeks ago, Elie Wiesel spoke at the White House, and I'd asked him to speak more than a year ago -- long before we knew what would be happening here in the Balkans -- and he spoke on the perils of indifference. And in that speech, he, of course, reminded us of the worst atrocities of the century in the Holocaust, but he also spoke movingly about what was happening here in the Balkans. And certainly the message that I

and many there took away came at the very end, when he was asked how on earth could he advocate hopefulness in the face of what he had experienced as a boy in a concentration camp and what he had seen happen in this century and what was again happening because of Milosevic.

His answer is what choice do we have? How does one live without hope unless one wants one's soul to wither and die. And I believe that. And, of course, you know, in one's personal life it's not nearly as cosmic or as horrific as what has happened to people on a yearly basis in this century and is still happening today, as we speak. But the same principal applies. I mean, every one of us has a choice. You know, at the seminar that we had at the White House last week in the wake of Littleton, Colorado, it was a very moving and somber occasion because people were not pointing fingers and placing blame, they were honestly looking for and accepting responsibility by and large. And at one point one of the participants said, you know, perhaps we should have a national day of reconciliation the day before Thanksgiving. We have so much to be thankful for in the United States. And he said, you know, there are people in my own family who need to forgive each other.

And now there may be some who think that's very simple and very far away from the Balkans, but I think it's all related. I think how we live our lives and how we deal with whatever life throws our way, is played out on our own individual stage. And then if you look at the life of someone like Milosevic and his wife, it can be played out on the national stage. I mean, one doesn't have to be a psychiatrist to think what has happened to this man who was the subject of being an orphan because both his parents killed themselves? And a wife whose mother was arrested by the Nazis and then released and killed by her communist colleagues because they thought she was an informer. We are seeing their psychological anguish and bitterness acted out in their incredible hatred of those who are different from them.

So I think that in everyday ways how you treat your own disappointments and whether you're able to forgive the pain that others cause you and, frankly, to acknowledge the pain you cause to others, it's one of the big challenges we face as we move into this next century. And it's something that I certainly have faced. But I look into the eyes of people all over my country and the world, and I know it's something all of us face.

AMANPOUR: On that note, thank you very much indeed for joining us.

CLINTON: Thank you.

AMANPOUR: That ends our special report from Skopje, Macedonia.

EVENT TO ADDRESS YOUTH VIOLENCE, 6/1/1999

**REMARKS BY PRESIDENT BILL CLINTON FIRST LADY HILLARY RODHAM CLINTON
ATTORNEY GENERAL JANET RENO AND ROBERT PITOFKY, CHAIRMAN, FEDERAL
TRADE COMMISSION
AT AN EVENT TO ADDRESS YOUTH VIOLENCE
THE ROSE GARDEN, THE WHITE HOUSE**

WASHINGTON, D.C.
SECTION: WHITE HOUSE BRIEFING

MRS. **CLINTON:** Good morning, and please be seated. And thank you for joining us today in the Rose Garden as we continue a national conversation about how to address the problems of youth violence in our communities and schools.

I want to thank everyone for coming this morning. And I'd like to acknowledge Congresswoman Sheila Jackson-Lee, Mayor Deedee Corradini, Mayor Timothy Kane (sp), and County Executives Wayne Curry and Charles Rupersburger. In addition to the chairman of the FTC, whom you will hear from in a minute -- Robert Pitofsky -- we also have Commissioner Sheila Anthony and Commissioner Mozelle Thompson. I'm also pleased that Pamela Eakes, who led the very innovative group, Mothers Against Violence in America, has worked with us on this event, as she has on past events that are also part of our efforts to try to create ways in which every American can take his or her part in doing whatever we can against youth violence.

As a nation, we've reacted to the shootings at Columbine High School like almost no other event I can remember in recent memory. It has literally pierced the heart of America. Yet in my conversations with young people and parents over the past few weeks, I've heard less talk about people feeling helpless or hopeless and more about a growing consensus that finger-pointing doesn't lead to solutions and that we have to move forward together to take steps to end the violence, not only in our schools, but in our broader community, and that it is time, some might say past time, that we all play a role in making a positive difference in the lives of our children.

I want to thank the attorney general and the chair of the FTC for joining us today, as well as the many parents, educators, religious leaders, members of the media, and students who are here as well. I am pleased that we will be hearing from a fourth-grader this morning who will tell us how he became part of the solution in his home state of Washington.

I think all of us recognize that there is no single answer or solution to the problem of violence in our society, but that we must move on many fronts, from passing common-sense gun control efforts, to helping parents understand better how to exercise authority over the media that their children are exposed to, and enabling more parents to spend more time with their own children. We've come together to talk about some of the ways we can begin to reverse the culture of violence that is engulfing American children every day, particularly the role that the media plays in shaping the lives and values of our children and young people.

In 1972, a surgeon general report said, and I quote, "We know that children imitate and learn from everything they see -- parents, fellow children, school, the media. It would be extraordinary indeed if they did not imitate and learn from what they see on television." The report went on to say that violence on television causes children either to mimic directly the actions they see or to act generally in a more aggressive way.

Yet today, more than 25 years after this report was written, our culture is even more saturated with TV programs, movies and songs that romanticize and glorify violence. What kind of values are we promoting when a child can walk into a store and find video games where you win based on how many people you can kill or how many places you can blow up?

We can no longer ignore the well-documented connection between violence in the media and the effects that it has on children's behavior. One study has found, for example, that if

an actor is rewarded for violent behavior, children are more likely to imitate it. Another tells us that media violence has a particularly negative effect on children who already have a tendency toward aggressive or anti-social behavior. According to the American Psychiatric Association, viewers of violence not only become desensitized and fearful, they begin to identify with an aggressive solution to their own personal problems.

America's culture of violence is having a profound effect on our children, and we have to resolve to do all we can to change that culture. One of the ways that we can do that is to give parents the tools they need to control what their own children are exposed to, and we've already moved forward in that direction. Today's announcement is another important step in the fight against violence.

We know there is a lot of work to be done, but I am encouraged that so many leaders and citizens are coming together and talking honestly, not only about the challenges we face, but what we have to do together to meet those challenges.

I am particularly heartened that as a result of the meeting the president convened at the White House a few weeks ago there was general agreement from a broad cross-section of Americans that we would launch a national grassroots campaign to prevent youth violence. We would model the campaign on successful national efforts, like Mothers Against Drunk Driving, which showed us that we can change the culture when enough people from all walks of life say, "Enough is enough." So I look forward to seeing everyone working together on this new nationwide effort to prevent youth violence.

Now, I'd like to introduce someone who cares deeply about the future of our children and who has fought tirelessly to create safe schools and communities, our attorney general, Janet Reno. (Applause.)

ATTY GEN. JANET RENO: Thank you, Mrs. Clinton. Thank you for all that you've done to speak out, so strongly and with such effect, to protect our children.

The impact of media violence on children is one piece of a larger concern: the reduction and prevention of violence in society. We have made very real and substantial progress in recent years in reducing violent behavior in children and adolescents, but we've got to do much more, and we must learn much more about the problem. Recent tragic events have focused the nation's attention on a few very violent children and adolescents.

Children should have a chance to grow and develop in strong and healthy and positive ways. Promoting healthy development will require us to protect children from certain violent images which they're not developmentally prepared to handle. Very young children are unable to distinguish fact from fiction. Too often today children are exposed to images and messages that glamorize violence and minimize its consequences. Numerous studies have shown that violent programming can promote violent tendencies in children. Media violence can increase children's aggression towards others. Such programming can have a particularly negative effect on children who already vulnerable.

Advertising which uses violent images or encourages children to seek out violent content can also be damaging. Research demonstrates that until the age of 7, children are unaware of the persuasive content of advertising. Even after age 7, children and adolescents are still vulnerable to peer and status appeals, without being able to determine whether responding to those appeals will result in healthy lifestyle choices.

We want to work with the entertainment industry and not against it. We hope to improve the industry's knowledge base so that it too can make better choices that are in the interest -- the best interest -- of parents and children. We encourage the media not only to protect children from negative content but also to help parents protect their children as well. The V-

chip, in conjunction with content-based voluntary rating systems that informs viewers of mature content or themes, has been a breakthrough in this regard. In addition, the movie, recording, and video game industries all use content-based ratings to improve the choices that parents have.

We now need to know more about how children learn about the existence and the content of violent materials and why they are drawn to them, whether it be movies or video games. It is my pleasure now to introduce Robert Pitofsky, chairman of the Federal Trade Commission. In the coming months, our agencies intend to work very closely together to expand our knowledge about the role of advertising in exposing children to violent entertainment materials. (Applause.)

MR. PITOFSKY: Thank you, Madame Attorney General.

I think it should be obvious already that we are here, representatives of consumer groups, business groups and government, because of a shared concern, a perception that there are increasing instances of senseless violence involving young people -- recent events show that to be true -- and that something needs to be done about it. We can't just observe it and talk about it; we need to take some actions.

Our particular focus today is on concerns about the violent nature of too many video games, movies and recordings currently available to young people that have a violent content. In considering that issue, however, we must remember two points:

First, we must recognize that concerns about the content of these products arise in an area of artistic expression and that they border on areas protected by the First Amendment against government intrusion. And we would hope to keep that in mind.

Second, we recognize that the motion picture industry, the video game and recording industries have recognized these concerns and have each implemented voluntary systems to rate the appropriateness of products for their children. These ratings provide parents with valuable information to judge what products are appropriate.

But we all know that advertising and marketing also play an important role in influencing young people. Today, as never before, children and teenagers are subject to a steady barrage of commercial messages that influence their choice of what they see, wear, eat and buy. Like the entertainment industry, the advertising and marketing communities realize the value of self-regulation and have implemented self-regulatory approaches.

In fact, one of the best examples of self-regulation is the advertising community and the work of its Children's Advertising Review unit, which contains several provisions urging advertisers to present their messages in a way that recognize the important potential impact of their advertising on child behavior.

My agency, the Federal Trade Commission, has a history of working with responsible elements in the business community in an effort to reach common ground on what we all recognize is a shared problem. We hope we can do that again here and reach that kind of result again.

Now, we have learned in our various projects that, if you are concerned about target marketing, you ought to talk to the person who is a target. And our next speaker, Arthur Salway (sp), is part of that group. He is a 9-year-old from Seattle, Washington.

Like many of his peers, he likes video games and wanted to learn about them. The story he

will share with you today clearly illustrates the problem; hopefully, it also points the way to a solution.

Arthur? (Applause.)

PRESIDENT CLINTON: Arthur, let me give you the speaker box. You can be even bigger -- (inaudible). How is that?

ARTHUR SALWAY (sp) (a 9-year-old student from Seattle): Good morning --

PRESIDENT CLINTON (?): Good morning.

MR. SALWAY (sp): -- Mr. President, First Lady and guests.

My name is Arthur Salway (sp). I am a fourth-grader at Villa (sp) Academy in Seattle, Washington. I am very honored to be speaking to this audience today about violent video games.

Last year, with a family friend, I went to a movie store to rent some movies and saw this magazine about new video games. I wanted to buy it because the first few pages had fun games, airplanes and car- racing games.

When I got home and flipped through the pages, I came across an ad that said, "More fun than shooting your neighbor's cat." Also, the ad said: "Bang, meow! Bang, meow!" "Come on already. It is time we moved up the food chain and take aim at something that sounds better when it explodes. And you can, when you grab your gun, included free, that will have you firing until your fingers fall off."

I was horrified and knew this idea was wrong. I was disturbed enough to show the magazine to my mommy, even though I knew I would get in trouble. She was very upset, not with me, but at what she saw in the magazine.

She showed it to Mothers Against Violence in America, who then shared it with the Seattle Times.

They wrote an article about my story and other violent video game ads in the magazine.

Representative Dickerson (sp), who is here today, saw the article and wanted to do something about it, too. She called Mothers Against Violence in America and, together with my mommy, started an action group about the impact of violent video games on kids.

I'm happy I showed the magazine to my mother and that she knew MAVIA, because she had someone to turn to when she needed support and action. Now there is more awareness about the negative influence of violent video games.

I have my mommy, MAVIA, Representative Dickerson (sp), and the community to thank for listening to me. Now we are all working together to make entertainment for kids nonviolent. I would like to thank the president for inviting me here today; Ms. Pamela Eakes, who is here today, for founding Mothers Against Violence in America; and my mommy -- (laughter) -- for not getting mad at me, but listening to me when I'm scared, troubled, confused, hurt, alone, and discouraged. I am thankful I know the (Lord ?). I am glad I had the courage to do the right thing. I thought I might get in trouble with my mommy, but instead I am here at the White House today. (Laughter.) I have learned, with courage, a lot of good things can happen. Thank you. (Applause.)

PRESIDENT CLINTON: Wow! Good for you.

ARTHUR SALWAY (sp): I am now honored to introduce to you the president of the United States of America. (Applause.)

PRESIDENT CLINTON: Give him another hand. He was great. Bravo! (Applause.) Thank you.

ARTHUR SALWAY (sp): Thank you.

PRESIDENT CLINTON: When I was listening to Arthur speak, I didn't know whether to offer

him a job as a White House speechwriter -- (laugh) -- or just wait for the opportunity to vote for him someday. (Laughter, applause.) Let me say thank you very much. (Applause continues.) Thank you.

And we thank your mother for bringing you here. (Applause.) And congratulations. And Representative Mary Lou Dickerson (sp), thank you, and Pam Eakes, founder of Mothers Against Violence in America, thank you.

I thank the attorney general and Chairman Pitofsky for their remarks and their commitment.

I thank Mayor Corradini, Mayor Kane (sp), County Executive Curry and County Executive Dutch Rupesburger (sp) for the interest that our local government leaders have. I thank Representative Sheila Jackson- Lee for her passionate commitment to this issue and all of you, welcome to the White House.

And most of all, I want to say again how much I appreciate Arthur Saway (sp) for coming here and for sharing a child's perspective. We have other children in this audience today, and we are really here about them and their future.

As Hillary said, the tragedy at Littleton had a profound effect on America. It certainly had a profound effect on us and on our family, particularly after we had the chance to go to Colorado and visit with the families of the children who were killed and many of the young children who are still grievously wounded and the kids at the school with them, who are hurting still, and the teachers.

I do think that what Hillary said is right. We sense a determination, not only in that community but throughout our country, not just to grieve about this but to do something about it. The national grassroots campaign against violence against children is rooted in our faith that we can do better. We know we can prevent more youth violence if we work together across all the lines that divide us. We know we can do it if we are all willing to assume responsibility and stop trying to assign blame.

Of course, the responsibility begins at home. It must be reinforced and supported at school and houses of worship and the community as a whole. Those of us in public service must also do our part. There is broad and growing consensus for us to do more. Let me say I am also grateful -- (clears throat) -- excuse me. I am also very grateful that the gun manufacturers came here last month and voiced their support for common-sense restrictions to make it more difficult for guns to get into the hands of children and criminals. I'm encouraged that the Senate acted to close the deadly gun show loophole, to require safety locks to be sold with every handgun, to ban the importation of large-capacity ammunition clips, and ban violent juveniles from owning guns as adults. I hope the House of Representatives will pass these common-sense measures as soon as they return from the Memorial Day recess. (Applause.)

We have a lot to do this year, but this should be put at the top of the agenda, and not put on hold.

As you have already heard, members of the entertainment industry must also do their part. They, and the rest of us, cannot kid ourselves; our children are being fed a dependable daily dose of violence -- and it sells.

Now, 30 years of studies have shown that this desensitizes our children to violence and to the consequences of it. We now know that by the time the typical American child reaches the age of 18, he or she has seen 200,000 dramatized acts of violence and 40,000 dramatized murders. Kids become attracted to it and more numb to its consequences. As

their exposure to violence grows, so in some deeply troubling cases of particularly vulnerable children, does the taste for it.

We should not be surprised that half the video games a typical seventh-grader plays are violent. Anyone who doubts the impact of the cultural assault can look at what now, over 30 years, amounts to somewhere over 300 studies, all of whom show that there is a link between sustained exposure -- hour after hour, day after day, week after week, year after year -- to violent entertainment and violent behavior.

What the studies say quite simply is that the boundary between fantasy and reality violence, which is a clear line for most adults, can become very blurred for vulnerable children. Kids steeped in the culture of violence do become desensitized to it and more capable of committing it themselves.

That is why I have strongly urged people in the entertainment industry to consider the consequences of what they create and how they advertise it. One can value the First Amendment right to free speech and at the same time care for and act with restraint. Our administration has worked to give parents more tools to protect their kids, to block violent programming from entering their living room, with the V-chip and the rating system. We have made progress on parental screening for Internet and ratings for Internet game sites. Still, when violent entertainment made for adults is marketed to children, it undermines the rating system designed to protect them. And if you look at some of these ads, it's hard to argue with a straight face that the games were made for adults in the first place, like the one Arthur mentioned.

Advertisements have a particular role here. They have the power to egg children on and lure them in. Every parent knows what response a commercial for sugar cereal or the latest "Star Wars" toy will get from their children. People advertise because it works. They want that product, and one way or the other, they're determined to get it.

So we ought to think twice about the impact of ads for so-called first-person shooter video games; like the recent ad for a game that invites players to, and I quote, "Get in touch with your gun-toting, cold-blooded, murdering side."

I was given today -- Arthur brought me the magazine with the ad that he mentioned, and he was kind enough to mark it for me. There really is a gun here it says, "More fun than shooting your neighbor's cat."

I was given another ad that says, "What kind of psycho drives a school bus into a war zone?" And here's a school bus heavily armed. This came out right after the incident in Springfield, Oregon.

Here's an ad that turns the argument I just made on its head: "Psychiatrists say it's important to feel something when you kill." And then it goes on to say you ought to get this technology because it "buffs and you feel it." It says, "Every sensation, every vibration, every mutilation. Nine programmable weapons buttons. Customizable feedback software. Push the stick that pushes back and feel your pain."

And here's one, the most unbelievable, it says, "Kill your friends, guilt free."

Now, obviously Arthur has the inner strength and the good upbringing to reject that kind of violent appeal. Most of our children do. But not all of our children do. We cannot be surprised when this kind of thing has an impact on our most vulnerable children. Is it 100 percent to blame? No. It's easier to get guns in this society. Parents, on average, spend 22 hours a week less with their children than they did 30 years ago because of the demands of work and commuting, the busyness of daily life. But when you put it all together, there are bound to be explosive, negative consequences.

That's why today I am asking the Department of Justice and the Federal Trade Commission to study the extent to which the video game, music and movie markets do actually market violence to children, and whether those industries are abiding by their own voluntary systems and regulations.

To any company that sells violent products, I say, children are more than consumers. I understand nobody made anybody buy any of this stuff, but every day a responsible society declines to do some things for short-term gain that it can do, and that is what we have to think about.

These children are our future, our most precious resource. Raising them is any society's most important job. Don't make young people want what your own ratings systems say they shouldn't have.

I might say, again, as has already been acknowledged, many, many people in the entertainment industry have worked with us on this, on the rating system, on the V-chip, on the screening technology for the Internet.

I noticed one network executive a few days ago actually cancelled a program because its violent content was inappropriate, and I applaud that.

But I also read with concern the news that some of the new programming coming up for this fall on some networks will be even more violent than last year's. The time has come to show some restraint, even if it has a short-term impact on the bottom line.

I also want to challenge the owners of movie theaters and video stores, distributors, anyone at any point of sale, enforce the rating systems on the products that you sell. Check the IDs. Draw the line. If underaged children are buying violent video games or getting into R-rated movies, the ratings systems should be enforced to put a stop to it. (Applause.)

And if, as many of us suspect, there is still too much gratuitous violence in PG-13-rated movies, the ratings systems themselves should be reevaluated.

I want to thank Senators Brownback, Lieberman, Hatch, and Kohl for the bipartisan work they have done on this issue.

Again, I want to commend State Representative Mary Lou Dickerson (sp) from Washington, who read about young Arthur, helped to create a task force on video game violence. And thanks to her work with Pam and the Mothers Against Violence in America, and the Washington Retailers Association, all -- who are all represented here today, video game retailers in Washington state now voluntarily sign a pledge to parents, committing themselves to check IDs and block sales of violent games to minors. That's something that ought to happen in every state in the United States of America. (Applause.)

Again, I say, we can do something about this. It will take a grass-roots campaign. It will take everybody doing his or her part. This is a problem we face together, a problem America can solve together. There is no more urgent task for our future.

You were all looking at this young man speaking today, thinking, "What a wonderful thing that a person that young could speak so clearly, so confidently about things that are so right." You look around at the other young people here today, who are involved in this effort in some way or another, and you thank God that we have this legacy of children.

A lot of those kids that haven't made it through all these school violence incidents were just as good, just as fine, had just as much to give the world.

We have got to quit fooling around with this. We have got a chance. Our hearts are open, our ears are open, our heads are thinking. I know this stuff sells, but that doesn't make it

right.
Thank you. And God bless you. (Applause.)
END

CONFERENCE ON MENTAL HEALTH, 6/7/1999

FIRST LADY DELIVERS REMARKS AT WHITE HOUSE CONFERENCE

ON MENTAL HEALTH

JUNE 7, 1999

CLINTON: Thank you.

(APPLAUSE)

Thank you very much. Thank you. If I had any voice, I'd break into "You Are the Sunshine of my Life" and dedicate it to Tipper.

(LAUGHTER)

But I'm delighted to be here and so pleased to see not only this packed room with standing room only, but to know that nearly 6,000 sites around the country are sharing in this first hand. This is a historic conference, but it is more than that. It's a real signal to our nation that we must do whatever it takes, not only to remove the stigma from mental illness, but to begin treating mental illness as the illness it is on a parity with other illnesses, and we have to understand more about the progress that has been made scientifically that has really led us to this point.

I don't believe that we could have had such a conference even ten years ago, and I know we couldn't have had such a conference 25 or 30 years ago when I was a young law student working at the Child Study Center at the Yale University and taking classes at the med school and working at the Yale New Haven Hospital and very interested in the intersection of mental illness and the law and in the development of children and other issues that we were only then just beginning to address. And we didn't have a lot of evidence to back up what we needed to know or how we should proceed with the treatment of a lot of the problems that we saw.

Well, today we know a lot more, and it is really our obligation and responsibility, therefore, to begin to act on that scientific knowledge. And I'm very pleased to be talking with a distinguished group of panelists about the science of mental health and mental illness. END

"CNN Live Event/Special," CNN, 6/22/1999

DARYN KAGAN: This is obviously President Clinton and the first lady. They are there visiting some of the 17,000 refugees still at this particular camp. This part of a trip through the Balkans for the president. As we understand it. Mrs. Clinton is about to introduce the president and then it is his chance to talk to the refugees.

They are chanting, let's just listen in.

HILLARY RODHAM CLINTON, FIRST LADY OF THE UNITED STATES: Thank you, I am very glad that I could come back to see all of you now that there is peace in Kosovo and I know that many of you will be returning home and we are very grateful for that and I wanted to bring my husband and my daughter to see the people and to hear the stories that I did just five weeks ago.

Let me introduce the president of the United States, Bill Clinton.

(APPLAUSE)

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES: Thank you. Thank you very much.

First of all, I would like to thank all the people who have shared time with my family and me, all these children and their parents, and I would like to say a special word of appreciation to all the workers here who have come from all over the world to help you recover your lives. I thank them very much.

(APPLAUSE)

(CHANTS OF "CLINTON")

Thank you. Thank you. The second thing I would like to say is that I have brought with me a number of people who helped me make sure the United States and NATO did the right thing by the people of Kosovo, and they are also very proud to be here. And I want to thank them, and I hope you will thank them. Mr. Berger and all the other people on our team, because we're proud of what we did, because we think it's what America stands for -- that no one ever, ever should be punished and discriminated against or killed or uprooted because of their religion or their ethnic heritage, and we are honored to be here with you. (APPLAUSE)

Thank you. Thank you.

(APPLAUSE)

I just want to say a couple of more words before the rain comes down.

The first thing is that we are committed, not only to making Kosovo safe, but to helping people rebuild their lives, rebuild their communities, and then to helping Kosovo and all the countries of the region build a brighter, more prosperous future, based on respect for the human rights of all people.

(APPLAUSE)

Thank you. Thank you.

Now, I promised all these wonderful people from all over the world who are here working for you that I would also say this: I know a lot of people are anxious to go home; many have already left. But you know there are still a lot of land mines in the ground on the routes into Kosovo and in many of the communities. We are bringing in the best people in the world to take those mines up.

Every year the United States does more than half that work all around the world. It is hard work, it is dangerous work. You have suffered enough. I don't want any child hurt. I don't want anyone else to lose a leg or an arm or a child because of a land mine.

So I ask you, please be patient with us. Give us a couple of more weeks to take the land mines up if the people here ask you to do that because you are going to be able to go back in safety and security. I want to make sure it is a happy return.

(APPLAUSE)

Thank you.

You have given my family and me a day we will remember for the rest of our lives.

All we want is for you to be able to live your lives. But I ask you to remember that the United States did not act alone. All of our NATO allies felt the same way, in Canada and Europe, and the president of the United States never acts alone. It is the American people who care about you, who believe in you, who want you to be free, who want you to be able to go home.

Thank you, and God bless you.

(APPLAUSE)

KAGAN: A heart felt cheering from Kosovar refugees still at the Stenkovec refugee camp in Macedonia. President Clinton and Mrs. Clinton visiting there today. The President addressing the group saying that no one should have to suffer because of their ethnic heritage, that he was honored to be among the people and that the U.S.A. and NATO was committed to building a brighter future for Kosovo, a more prosperous future based on respect for all people.

Our Wolf Blitzer has been traveling with the president. Wolf joins us on the phone.

Wolf, a very important part of the president's message today encouraging these people to stay in the camps for now until land mines can be cleared from the countryside.

How likely are the people to take the message?

WOLF BLITZER, CNN SENIOR WHITE HOUSE CORRESPONDENT: Well, I have spoken with most of the refugee officials here, the relief workers, the Catholic Relief Services, the U.N. Human Rights Commission people and they say the message, while it will be warmly received, will probably be futile. The 10,000 or so refugees at the Stenkovec camp, they expect within a week or two almost all of them to have gone back to Kosovo. A lot of their hopes are going to be disappointed when they get back to their homes and find the devastation there.

But they do anticipate, this Stenkovec camp, as well as the second Stenkovec camp about two miles away, to be emptied out within the next week or two. And despite the dangers of land mines, unexploded ordnance, the booby traps and all of that. So, while the president made an appeal, it probably won't work -- Daryn.

KAGAN: Wolf Blitzer traveling with the president.

"World News Tonight," ABC, 7/7/1999

SHOW: WORLD NEWS TONIGHT WITH PETER JENNINGS (6:30 pm ET)

PETER JENNINGS: Just a brief review of our top story tonight. Scientist say they've developed a vaccine that may one day help prevent Alzheimer's disease. It affects one in 10 people over 65. So far only tested on mice, but they're encouraged.

Finally from us this evening -- a political adventure begins. In upstate New York today, Hillary Clinton unfolded her garment bags and embarked on a very carefully planned courtship. As the first First Lady to run for elected office, Mrs. Clinton, as you know, is already getting a great deal of attention from the media.

Now comes the long and sometimes painful process of trying to bond with New Yorkers. ABC's Dean Reynolds was there for the opening.

DEAN REYNOLDS, ABC News: (voice-over) On a sunny morning near the Catskill Mountains, Hillary Clinton took her first serious step on a very long road. Accompanied by the man she hopes to succeed, Senator Daniel Patrick Moynihan, the First Lady began this courtship of a place she has never called home.

HILLARY RODHAM CLINTON, First Lady: Now I suppose the questions on everybody's mind is why the Senate and why New York and why me?

DEAN REYNOLDS: (voice-over) She got the questions right and had a well-planned answer.

HILLARY RODHAM CLINTON: I think I have some real work to do to get out and listen and learn from the people of New York and demonstrate that what I'm for is maybe as important if not more important than where I'm from.

DEAN REYNOLDS: (voice-over) She has her own "Hillary In 2000" Web site now, no primary challengers in view and universal name recognition. Her choice of upstate New York for today's events, including a stop at the Soccer Hall of Fame, was designed to build a bridge to this predominantly Republican part of the state.

SUPPORTERS: We want Hillary!

DEAN REYNOLDS: (voice-over) Some spectators were friendly, but others were not.

PROTESTERS: Go home, Hillary!

MAN AT RALLY: I don't think New York needs her. We've survived without her and will continue to.

DEAN REYNOLDS: (voice-over) Mrs. Clinton said she will spend the next few months listening to New Yorkers about issues, building up expertise in intimate settings that may deflect

charges that she is an opportunistic outsider. Her first attempt at that today had at least the look of intimacy, though cameras from around the world foreshadowed the kind of scrutiny she had better expect.

(on camera) Mrs. Clinton did something on the campaign trail today that is completely new for her. She spoke about her beliefs and her issues, and all with hardly a mention of her husband. Dean Reynolds, ABC News, Oneonta, New York.

PETER JENNINGS: That is our report on World News Tonight. Don't forget 20/20 later. On Nightline, more about Alzheimer's disease.

I'm Peter Jennings. We hope you have a good evening and that we'll see you tomorrow. Good night.

PRESS CONFERENCE WITH FIRST LADY HILLARY RODHAM CLINTON AND SENATOR DANIEL PATRICK MOYNIHAN (D-NY), 7/7/1999

**RE: POSSIBLE CANDIDACY FOR U.S. SENATE
DAVENPORT, NEW YORK**

SECTION: WHITE HOUSE BRIEFING

:Good morning. Do you hear me properly? Is that all right? Hi, Gabe. Liz and I welcome you to Derrymoor?? Your arrival required us to get the hay in a week early, which turned out to be a good idea, so John Briggs (sp) thanks you and welcomes you, also.

Mrs. Clinton and I have been up in the schoolhouse just for a little bit, which you can see over there. The schoolhouse was built in 1854; stayed a schoolhouse till the school bus arrived in 1946, and I've been in there for the last 36 years, and I can tell you, it's a good schoolhouse.

We have the -- I showed some of the records we have from 1856; I think you'd agree. The school had three teachers, 13 students, and 71 books in the library. One, do you remember "Paradise Lost" --

MRS. CLINTON: Plutarch's "Lives."

SEN. MOYNIHAN: Plutarch's "Lives," "A Life in Essays," of Franklin, "A Pilgrim's Progress." We haven't necessarily advanced in some -- in our educational reading assignments since 1856, but then, they still help.

Now, I have the great pleasure to welcome Mrs. Clinton to the farm and to turn over the microphone to our candidate. Before you do -- before I do -- and my God, I almost forgot --

yesterday Hillary Clinton established an exploratory committee as regards candidacy for the Senate, United States Senate, from New York, a seat which I will vacate in a year and a half.

I'm here to say that I hope she will go all the way. I mean to go all the way with her. I think she's going to win. I think it's going to be wonderful for New York, and we'll be proud of our senator, and the nation will notice.

And so here is that very same person. (Applause.)

MRS. CLINTON: Well, I want to thank Senator Moynihan and my friend Liz Moynihan for welcoming me and a few of my friends and associates here to their farm. I'm very grateful for their friendship and their hospitality and their support. It means a great deal to me to stand here with someone whom I admire so much.

You know, I'm starting a listening tour of New York, and I thought it only proper that I start by listening to probably the wisest New Yorker that we can know of at this time. And -- (applause) --

SEN. MOYNIHAN: Neighbors -- (off mike). (Laughter.)

MRS. CLINTON: And his neighbors agree!

MS. : (Me, too ?).

MRS. CLINTON: And we started in the schoolhouse, which is appropriate, because it is a place where Senator Moynihan has written so many of the books and articles and speeches that have been so important and influential in our country and in the deliberations of the United States Senate.

The last few months have been quite extraordinary for me, and I must say that I'm very humbled and more than a little surprised to be standing here today. But when New Yorkers began talking to me, as they did shortly after the Senator announced that he would not run again, I listened very hard. And the more I listened, the more excited I became about the possibilities of what could be done on behalf of the people of New York. New Yorkers from all walks of life have called me and written me and e-mailed me and stopped me and visited with me. And I think that there is a great feeling in this state that there's a lot of work ahead in the future, but it's work that people are ready to roll up their sleeves and do together.

So I intend to be spending my time in the next days and weeks and months listening to New Yorkers.

Now, I suppose the questions on everyone's mind is, why the Senate, and why New York, and why me? And all I can say is that I care deeply about the issues that are important in this state that I've already been learning about and hearing about; that I am very much concerned that we work together to try to find answers to the challenges that face New York and the people of New York. And I'm going to be listening very hard and I'm going to be learning a lot.

And I'm going to be looking for ways to work together with people to help figure out how to meet those challenges of providing quality education, many longer in a one-room schoolhouse but in the various settings that exist around the state of New York. And providing good, quality, affordable health care, and making sure that the crown jewels of the health care system -- namely, the teaching hospitals -- are able to continue doing the work that is so important to all of us. And making sure that the economy is built in a way that creates good jobs in every region of the state of New York. And continuing the fight that the senator has championed to ensure that New York gets its fair share from Washington.

I've been a tireless advocate all my life on behalf of what I believe in, and I believe that the causes that are embodied in the political deliberations that the United States Senate will be facing in the future are ones that are very important. You know, the Senate when it's at its best is really there to represent what the people need and how best that it should be accommodated. So I would be, if I run and am honored to be elected, a strong and effective advocate on behalf of the people of New York.

I'm very excited about this. I'm looking forward to it. It's great to be out here on this beautiful day.

And over the next few days, I expect to meet with and hear from a lot of New Yorkers and to have a chance to learn even more about what's on their minds.

So thank you so much, Senator, for having me here.

SEN. MOYNIHAN: Thank you, Ma'am.

Q Mrs. Clinton, how do you address --

Q Mrs. Clinton, why do you --

(Scattered applause.)

Q Mrs. Clinton, how do you address the issue --

Q Mrs. Clinton, why would you go through this considering the last seven years --

MRS. CLINTON: Let me start with Andrea and then I'll come to you, sir.

Q How do you address the issue that Rudy Giuliani has raised that you're a "carpetbagger"? There was a protestor at the airport, just one person, but raising that issue as well up here? How do you answer them?

MRS. CLINTON: I think it's a very fair question, and I fully understand people raising it. And I think I have some real work to do to get out and listen and learn from the people of New York and demonstrate that what I am for is maybe as important if not important than where I'm from. I'm looking forward to living in New York. That is something that my husband and I had talked about and planned in any event.

But I take very seriously the very legitimate questions of New Yorkers about what I believe and what kind of skills and interests I would bring on their behalf, were I to run and be elected to the Senate. So I understand that, and I'm looking forward to talking with a lot of

people and, hopefully, making it clear that if I were given a chance, I would be a very strong and effective advocate for the people of New York.

This gentleman was -- yes? Q Mrs. Clinton, why would you go through this after the seven years you've had in the White House including -- (off mike)?

MRS. CLINTON: Well, I've actually enjoyed my time in the White House! (Laughs.) I know that that may cause some real concern among some people. But when I look back on these years and what has been accomplished for our country, the experiences that I've had and the contributions I've been able to make on behalf of issues and causes that I care deeply about, I am very excited about the possibility of considering this run and continuing public service on behalf of the people of New York.

I have no illusions that it will not be a very difficult and challenging race, but that's what should happen in a democracy. I think that's to be expected. We need that kind of back and forth and exchange of ideas from people. So I am -- I'm very anxious to get out and listen to New Yorkers and learn from them, and I'm very excited about figuring out ways we can work together.

SEN. MOYNIHAN: We're going to be a little short, but Gabe (sp) there has been after you for some time.

MRS. CLINTON: Yes, Gabe (sp)?

Q Mrs. Clinton, what about those of your critics who say that it takes a lot of chutzpah to come to a state that you're not from and run for the Senate?

SEN. MOYNIHAN: Gabe (sp), we're in Delaware County. Now what was that word? (Laughter.)

MRS. CLINTON: Well, you know --

Q (Inaudible.)

SEN. MOYNIHAN: Good for you.

MRS. CLINTON: Good for you. Yeah.

Well, Mr. Pressman, you know, when people came to me and said why don't I consider this, that fact crossed my mind. I have to confess. I said, you know, that seems like a very strange idea.

But the more people talked to me and the more I listened, and the more encouragement I got, and the more I really understood about the kind of issues that New Yorkers are concerned about, from one end of the state to the other, I really thought that I maybe could make a contribution.

And I am going to leave that to the judgment of New Yorkers. You know, I am going to just get out there and listen and work and talk with people. And then eventually, New Yorkers are going to decide whether it is a good idea or not. But I am excited about it, and I am really looking forward to it.

And I am told that, you know, that characteristic is not all bad in certain parts of New York. So I may need a little of that, I think. (Cross talk.)

Q (Inaudible) -- Mrs. Clinton?

Q (Inaudible) -- the issue over the Peace Bridge and the relationship of trade between the U.S. and Canada, what specific design would you favor and why?

MRS. CLINTON: Well, I am going to let the expert speak on that. (Laughs.)

Q (Inaudible.)

SEN. MOYNIHAN: We are reviewing the prospect of the Signature Bridge or of turning the existing bridge -- a lot of good faith and energies going into the process. The prospects of military operations and repeat the Battle of Lundy's Lane, very slim, very slim. (Laughter.) Q Mrs. Clinton?

Q Why here? Why not --

MRS. CLINTON: Yes?

Q To what extent do you think you will have to forsake your duties as first lady? Will you be able to campaign and fulfill that role also?

MRS. CLINTON: I think so. You know, it is not so dissimilar from someone, for example, being in the Congress and running for the Senate or being a governor and running for another office. And I have some obligations in my present responsibilities that I intend to fulfill. But I am going to spend as much time as I possibly can, meeting with and listening to New Yorkers and learning about the issues facing New York. But I also want to be responsible and make sure that I fulfill the obligations of the position I have.

And I don't really see a contradiction to that. I think that we are a long way from the election. I must say that I think it will do everyone some good if we just sort of take this at a slower more relaxed pace.

That is one of things I am actually looking forward to. I am really excited about being able to take these long, beautiful summer days and, you know, kind of at a leisurely pace with, you know, a few hundred of you -- travel from place to place and meet people and stop and visit. That's very exciting to me.

I know it may not sound like, you know, the way many people would look forward to spending days, but I'm excited about it and I'm looking forward to it.

Q How will you deal with the critics who don't believe you when you're dealing with the White House billing records and turning \$1,000 into \$100,000, who have been part of a strong campaign concerning that?

MRS. CLINTON: Well, I think that New Yorkers will make their own judgments about that. I think we've moved beyond all of it. And I'm going to be talking about the future of education and health care and making sure that upstate New York gets the same kind of economic opportunities that the rest of the state has enjoyed. And I think that's what people are going to be talking to me about.

Q Mrs. Clinton, have you put the scandals behind you?

SEN. MOYNIHAN: How many more? Can we have two more questions?

STAFF: How about we take three. There, there, there.

MRS. CLINTON: All right.

Q Given your reputation as an advocate for children, and the senator's own very strong views on the issue, can you talk a little bit about the (1996 ?) Republican -- (technical problems with sound).

MRS. CLINTON: (Technical problems with sound) -- the bill that the president eventually signed. I had some strong concerns about some of the issues that were being pushed at that time by the Republican majority in the Congress. For example, I was very concerned when the Republican Congress attempted to de-link Medicaid from welfare. But eventually, the bill was in a state that I felt should be signed, although there were still problems with it that needed to be remedied.

I'm personally very gratified that we've seen the kind of progress that we have in the last several years in moving people from welfare to work. But I think we're going to have to remain very vigilant about the effects of these changes, and we're going to have to be ready to take action if for some reason people are severely disadvantaged in ways that can't be remedied in the market or through the means available to them. So I supported welfare reform, and I supported it because I believed that the system was so broken and that the political conditions were such that we had to make some dramatic changes in order to kind of clear the decks, provide opportunities for people who were able to become independent and self-sufficient, and really then take a hard look at what was left; who were the people that were truly dependent that were going to need some help? And we are learning more about that. We have a long way to go.

SEN. MOYNIHAN: One center. (Calling on questioner.)

Q A lot of people see you as the number-one victim of the Monica Lewinsky scandal. I wonder if you see yourself as a victim and if you think you benefit from the sympathy vote.

MRS. CLINTON: Well, I'm looking forward to meeting with New Yorkers, and I think they'll have a lot to tell me about what they think about me and the positions that I have. I see myself as someone who is ready and willing to get out there and find out what's on people's minds so that I can be responsive and make a decision about this race.

Q Do you think you benefit from people's sympathy? And --

Q About education and health care, the issues that you are addressing or listening to people talk about today, these are all issues that (poll ?) very strongly with women. I was wondering how much of that is a factor in your decision to focus on these issues.

MRS. CLINTON: Well, these are issues that I have worked on and been concerned about all my adult life.

You know, starting back when I was a law student, I began a particular interest in the well-being of children and what we needed to do to support families. And I have worked on that in many ways. I was involved in leading an effort to reform education when my husband was governor and have been very much involved since 1983 in working on behalf of improving education. And I've had many opportunities, both in the private sector, where I served on corporate boards, as well as in the public sector, where I worked with a variety of organizations, to think hard about how we create good jobs and how we provide people the skills in a changing economy to be able to take those jobs. So it's something that isn't new to me. It is what I've worked on and cared about my entire adult life.

What's new to me is being on this side of the microphone and talking for myself and talking on behalf of what I believe, and I'm looking forward to that.

SEN. MOYNIHAN: Okay. Can we --

STAFF: Thank you all.

MRS. CLINTON: Thank you very much.

(Cross talk.)

SEN. MOYNIHAN: We thank you. We're going to stop for a cup of coffee in the house. And I guess you're next down in Oneonta, at the Soccer Hall of Fame. (Cross talk continues.)

END

"Inside Politics," CNN, 7/30/1999

Hillary Clinton Takes Listening Tour Into Republican Territory

HIGHLIGHT: Hillary Rodham Clinton spoke out about the shootings and the gun issue during her latest political swing through New York. Gun control has been a recurring issue for the first lady on her listening tour, as she weighs a run for U.S. Senate, but this time she ventured upstate into solidly Republican territory.

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JUDY WOODRUFF, CNN ANCHOR: Hillary Rodham Clinton spoke out about the shootings and the gun issue during her latest political swing through New York.

CNN's Jonathan Karl is covering Mrs. Clinton's unofficial Senate campaign.

(BEGIN VIDEOTAPE)

JONATHAN KARL, CNN CORRESPONDENT (voice-over): First lady Hillary Clinton wasted no time before using the Atlanta massacre to make a political point.

HILLARY CLINTON, FIRST LADY: And I think it does once again urge us to think hard about what we can do to make sure that we keep guns out of the hands of children and criminals and mentally unbalanced people. And I would hope that the Congress would take action on the legislation that is now pending before it as soon as possible.

KARL: Gun control has been a recurring issue for the first lady on her listening tour, as she weighs a run for U.S. Senate. This time she ventured upstate, into solidly Republican territory.

But aside from a few persistent hecklers, Mrs. Clinton has been treated more as a celebrity than an outsider. At an impromptu stop at Light's Coffee Shop in Elmira, she got a warm welcome from the town's former Republican mayor.

HOWARD TOWNSEND, FORMER ELMIRA MAYOR: I come here every morning for coffee, and this is a surprise to me, a good surprise. I'm glad to have her in town.

KARL: Polls show Mrs. Clinton in a dead heat with New York's Republican mayor, Rudy Giuliani, the other high-profile but undeclared candidate.

MAURICE CARROLL, QUINNIPIAC COLLEGE POLL: But there is no question that both of them, as far as upstate is concerned, are outsiders. She's from Arkansas -- or Illinois. Take your pick -- he's from New York City. And, you know, upstate, to be mayor of New York is like being mayor of Sodom and Gomorrah.

CLINTON: Do you all like to read books and have books read to you? What are your favorite books? UNIDENTIFIED CHILD: I do.

CLINTON: You do.

KARL: The first lady's forays into New York have had more photo opportunities than specifics, but on this trip she attacked the Republican tax cut plan and urged Congress to fund the White House plan for 100,000 new teachers.

CLINTON: Recently in the House it was voted to renege on that commitment to fulfilling the 100,000 teachers goal, and it's a shame.

KARL: Mrs. Clinton says she is encouraged by what she has heard on her listening tour.

CLINTON: I am interested in pursuing this very exciting possibility of considering a run for the Senate from right here in New York, and it is the only thing I'm interested in. And I get more interested and excited about it every day.

(END VIDEOTAPE)

KARL: Mrs. Clinton said she hopes New Yorkers will care more about what she is for than where she is from, but she continues to be dogged by the carpetbagger issue. In the most recent New York poll, more than 50 percent say they are concerned that the first lady is not a New Yorker -- Judy.

WOODRUFF: Jonathan, we notice the first lady is speaking out more during these campaign or pre-campaign swings. Is she still calling it a "listening tour"?

KARL: She's still calling it a listening tour and she's still saying she's not made up her mind to run. But as you heard her say today, she said that she is more convinced now than ever that this is an exciting possibility but still hasn't made that final step.

WOODRUFF: All right, Jonathan Karl, on the trail with the first lady in New York, thanks.

REMARKS BY FIRST LADY HILLARY RODHAM CLINTON AT COMPTROLLER'S ANNUAL STATE FAIR LUNCHEON, 8/30/1999

SYRACUSE NEW YORK STATE FAIRGROUNDS SKANEATELES, NEW YORK

SECTION: WHITE HOUSE BRIEFING

MRS. CLINTON: (Applause.) Thank you. Thank you very much. Thank you so much.

Thank you for that wonderful, warm welcome to Bill and to our daughter, Chelsea, who is with us. We are so pleased to be here. And I want to thank you for letting us come to share the excitement that always is part of the New York State Fair.

I'm especially pleased to be here with the Comptroller and with Joyce. They are wonderful friends, but more than that, their public service, and particularly the comptroller's leadership and what he has meant to the state over the last year is really extraordinary and exemplary. Everywhere I go around New York State, there is certainly one thing that I hear over and over again, and that is how well-liked and how well-respected Carl McCall is. So it's an honor to be here with him. (Applause.) And I also want to thank Mike Bragman for welcoming us and for his many kindnesses. I recall so well being with him and Sue and their family in his backyard listening to people talk about education and the economy and other issues facing Syracuse and central New York. And I'm very grateful for his advice and his support as I go through the state listening to New Yorkers. And there isn't any better place to do that than at a state fair.

You know, Bill and Chelsea and I were reminiscing about the state fairs that we have known and visited and attended. And Bill will probably have more to say about that in a minute because, like the comptroller and like many of you who do attend the fairs, there's so much going on that it's hard to take it all in. And there's all sorts of contests and occasions for honoring different sorts of people. He was telling us as we pulled in that he recalls on Seniors Day, which I think is also today here at the State Fair -- right? So it's Senior Day and I think it's Dairy Day, as well as Comptroller's Day, so a triple header. (Laughter.) And we'll try to eat some cheese and see some seniors, too, as well today. (Laughter.)

But as we were pulling in, he was reminding Chelsea and me that he used to go to the state fair on Seniors Day back in Arkansas, and he used to give an award to the oldest man and the oldest woman and the couple that have been married the longest and the people who had the biggest families.

And he reminded us -- I can recall very clearly his just amazement when he met a woman and gave her the award because she was the mother, grandmother, and great-grandmother of 150 people. So, that kind of put things in perspective for us -- (laughter) -- as we came in.

But we are delighted to be here, and we're so looking forward to our days here. We're going to Skaneateles, we're going to have time as a family, we're going to get to meet a lot of people, we hope, and I think he's going to get to play a lot of golf and we're going to get to see more of this beautiful part of New York.

But one of the great joys that I've had in the last several months is to travel around this extraordinary, beautiful, diverse, dynamic, exciting state and meet a lot of different people in all different kinds of settings. I've been from one end of this state to the other, and I'm going to be back many times.

But what I'm especially pleased by is the way people are coming forward with ideas; ideas that they think would help to make New York an even greater state; ideas that would create more opportunities for jobs and good incomes and I know how important that is right here in central New York and throughout upstate New York; ways that we can do better to make sure every one of our children has a first-class education; to try to make sure that everyone can afford quality health care; to try to be sure that we really maximize all of the benefits and advantages that are here in New York.

And people have asked me time and time again -- I was asked in Buffalo, I've been asked in Jamestown, I've been asked in Long Island, I've been asked all over the state, Well, what am I learning? And certainly, I'm learning a lot about the diversity of New York, but I'm also learning about the common aspirations and hopes that New Yorkers have. And it's really kind of symbolized by something as great as this state fair, because when you think about it, people come from all over the state, they have agricultural interests and industrial interests, they're here for entertainment, they're here to have a good time. They're here to see what might be new and exciting in the future, and they come together for just a few days, but in a spirit that really does represent the best of this state.

And I hope that is the spirit that I'll be able to bring out and to see more of as I travel around and as I talk with people about their ideas. Because there's a lot we can be proud of as a nation.

In the last six and a half years, we have made a lot of progress. We have more blessings than any people have ever had in the history of humanity, right here in the United States at the end of the century. And New York has always been at the center of whatever was happening, not only in our country, but in the world.

Yet as much progress as we made, we know we have more work to do. I am not satisfied that we don't have good jobs for everybody who wants them. And I am certainly not satisfied that here in upstate New York, where so much of America's industrial and economic strengths started, right here in this part of this state, that there have been too many people who have had to leave, looking for opportunities elsewhere and that there are not enough good jobs for the good hardworking people who live here.

And so that's something we have to work harder on together. And I am not satisfied that, as much progress as we have made in appreciating the importance of education, we haven't

done enough to work with our teachers and our principals and bring parents into the process so that every student understands what is expected of him or her in the future and works hard to achieve that.

And I'm not satisfied that, all too often, the challenges to growth and economic opportunity here are ones that we should be addressing and that Carl and others have addressed. There are the high transportation costs, particularly airfare, which we hope is going to be addressed with some of the new airlines coming in; the extraordinarily high power costs, which have kept many industries from expanding or even settling here; high state and local taxation -- the kinds of problems that people talk to me about.

So there is a lot of good work that has been done, and a lot more we can do together. And I'm pleased that I might have a chance to be part of continuing the progress that New York has always represented and that we have seen happen in our country in the last six and a half years.

And I'm very grateful to have been a part of what this president and vice president and administration have tried to do to give people more of a chance in the future. And I know that my husband is not satisfied either; he intends to keep working every day that is left to him as president. And I think that's the kind of support -- (applause) -- it's the kind of support for hard work and responsibility and progress that many of us in this room share, whether it's here, in central New York, or anywhere throughout the state or the country. We know that we can always do better. That's part of what it means to be an American and certainly what it means to be a New Yorker.

So it gives me great, great personal pleasure to be here. And it's a real privilege to introduce to this audience the third president -- (laughter) -- who has visited the New York State Fair, the president of the United States, Bill Clinton. (Applause.)

END

"60 Minutes," CBS, 8/31/1999

DAN RATHER, co-host:

First lady Hillary Clinton has spent the summer on what she calls a listening tour of New York, crisscrossing the state and talking with voters about their concerns. It's all part of the run-up to what now seems a virtual certainty, her candidacy for the Senate. But while she has been listening to New Yorkers, people around the country have been focused on something she said. In a recent interview with the new magazine *Talk*, she raised the possibility her husband's problems may be linked to his troubled childhood. But she has said little else except for when she talked to us back in May about her future, her marriage and how she made it through the scandal that almost cost her husband his job.

(Footage of Clinton and president)

RATHER: (Voiceover) Even though the Clintons are on vacation, they are hard at work raising campaign cash, money that will be used to fund the first lady's expected run for the Senate.

It's an unprecedented move for a presidential spouse, but then Hillary Clinton has a history of making history.

Mrs. HILLARY RODHAM CLINTON: (From previous video) I suppose I could have stayed home and baked cookies and had teas, but I--what I decided to do was to fulfill my profession, which I entered before my husband was in public life, and I've tried very, very hard to be as careful as possible, and that's all I can tell you.

RATHER: Once, a political lightning rod...

Unidentified Announcer: (From graduation video) Hillary Rodham Clinton!

(Footage of Clinton at graduation; audience at graduation; Clinton waving to everyone)

RATHER: (Voiceover) ...today, she is political lightning, a crowd-pleaser and first-class fundraiser, a person under enormous pressure to step into the arena, this time on her own.

Mrs. CLINTON: You know, a--a year ago it had never crossed my mind. Even six months ago, it wasn't anything that I'd ever thought about, but I'm very committed to, you know, learning about a lot of different issues that I've worked on all my life, and how they affect people in New York, because I think that, you know, everything that happens in America happens in New York. And as I've listened to people and talked with them, the kinds of things I care about: education and health care, better jobs, better, you know, balance between work and family, the kinds of issues that I think are gonna be on the front burner in the years to come are ones that are of great concern to New Yorkers and of great concern to me.

RATHER: Question, Mrs. Clinton: With all that you've been through in politics, you know, virtually under siege for at least the last year and a half, why in the world would you want to go into that kind of campaign...

Mrs. CLINTON: Well, you know...

RATHER: ...particularly in a tough state like New York?

Mrs. CLINTON: Well, you know Dan, I--I'm someone who thinks that, you know, we are so blessed to live in this country. And, for me, having an opportunity to serve in the United States Senate, if that's what I were to decide to do and were fortunate enough for the people of New York to give me that chance, would enable me to work with people and bring people together and try to solve problems that were on people's minds.

(Footage of Clinton, president and Vice President Al Gore)

RATHER: (Voiceover) But what's on the minds of many Americans is her marriage and the personal troubles that have been played out so painfully, so publicly.

President BILL CLINTON: (From previous video) I did not have sexual relations with that woman.

(Footage of President Clinton)

RATHER: (Voiceover) In a year and a half of denials and details and DNA, she has maintained her silence.

Pres. CLINTON: (From previous video) These allegations are false.

RATHER: You know, you never met anybody who wants to respect your privacy more than I do...

Mrs. CLINTON: Thank you.

RATHER: ...but you're a very public person...

Mrs. CLINTON: Mm-hmm.

RATHER: And sooner or later in New York, they're gonna say, 'Why are you still with this man?'

Mrs. CLINTON: Oh, you know, we've been together for, I guess, 28 years. We've been married--we'll be married 24 years this year. And we have a deep and abiding commitment to one another. And it is something that has been part of our lives, really, almost from the time we met. And, you know, I'm--I'm old-fashioned enough not to talk about my private life, and I respect your respect for it, but I--I think that, you know, I look back on all of those years together and it's just something that means a great deal to both of us.

RATHER: Given what you've been through the last year and a half or two years, did you ever consider leaving him?

Mrs. CLINTON: I am not going to talk about that. I--I respect you, Dan, but I'm not going to answer those questions.

(Footage of Clinton and president on "60 Minutes")

RATHER: (Voiceover) Seven years ago on "60 Minutes," she seemed to ridicule the idea of staying with a straying husband.

Mrs. CLINTON: (From 1992 "60 Minutes") You know, I'm not sitting here as some little woman standing by my man like Tammy Wynette. I'm sitting here because I love him and I respect him and I honor what he's been through and what we've been through together. And, you know, if that's not enough for people, then, heck, don't vote for him.

(Footage of Clinton talking with Rather)

RATHER: (Voiceover) Today she doesn't talk about fidelity. She talks about forgiveness, and dealing with personal pain.

Mrs. CLINTON: Sometimes things come totally out of the blue, and something good or terrible happens to you, neither one of which you could have predicted, and--and probably certainly don't deserve. Life is not by any means fair or easy for anyone, but part of what I think we're challenged to do is to keep trying. And to keep trying not only on our own behalf, but on behalf of anyone whom we can touch and whom we can help.

RATHER: You mentioned you're a religious person. Did you find yourself praying more over the most difficult period?

Mrs. CLINTON: Well, I've--I've prayed a lot ever since we've been in the White House. It's been--it's been a circumstance that certainly requires a lot of prayer and a lot of people...

RATHER: You smile, but I--I sense you're serious.

Mrs. CLINTON: Well--well, I'm very serious about it. I have prayed a lot and I have been prayed for a lot. And I have been grateful for the prayers of people I know, and people I will probably never meet. And it has helped me enormously. And, you know, sometimes it's--it's--it's a way not only of pouring your heart out, but of really getting filled up again with, you know, some energy and some hopefulness and positive feelings that can carry you forward.

(Footage of Clinton addressing a committee)

RATHER: (Voiceover) She has always been more comfortable explaining health care...

Mrs. CLINTON: (From committee video) On the benefits package, we have priced that out very carefully, congressman.

(Footage of Clinton talking to press)

RATHER: (Voiceover) ...more effective fighting off financial questions...

Mrs. CLINTON: We went into Whitewater to make money, not to lose it.

(Footage of Clinton on "Today" show)

RATHER: (Voiceover) ...more at ease on national television blaming partisan politics for her husband's problems.

Mrs. CLINTON: (From "Today" show video) It's this vast right-wing conspiracy that has been conspiring against my husband since the day he announced for president.

(Footage of Clinton and the president at a public gathering)

RATHER: (Voiceover) Hillary Rodham Clinton's latest incarnation is probably the one she likes least: long-suffering wife; for some, an object of sympathy.

(Excerpt from Democratic Convention; Clinton with the president at Democratic conventions; Clinton sitting with the president; Clinton getting out of limo; Clinton addressing New York Democrats; Clinton with teen-agers; Clinton with Boys and Girls Clubs members)

RATHER: (Voiceover) But now the woman who has always been at his side and on his side may be about to step out on her own. She is once again on the brink of breaking new ground for American first ladies. But the agenda she lays out seems downright old-fashioned. She sees her work as focusing on children and families and the unique problems they face today.

Mrs. CLINTON: In some ways, I think we've been running kind of an experiment, if you will, in raising of children. It's not anything anybody planned. It's been unwitting. But we've been

changing the way we live, and we've been tearing down a lot of our institutions, we've been undermining a lot of old values. We've allowed all kinds of influences in our front doors that we never would have before, to influence the lives of our children. We've worked in ways, and our families are structured differently than was ever done before. So there's just been many, many things that have changed within one or two generations, which we really have to pay attention to. And we--and we really have to start taking some action on--on behalf of our kids.

RATHER: Give me a specific one or two things, something concrete you think we could do and should be doing.

Mrs. CLINTON: We have to be better connected to each other and particularly to our children. We have to do more to build a sense of community. Now what does that mean? Well, it may mean that our high schools and our schools are too large for children to really feel connected to the adults who are there, for the adults to know them. You know, I was recently in a school in Queens, in New York City, and--and I was just stunned that in a school built for 1,500 kids, there were 2000 kids, and that there were gonna be 500 more because of overcrowding.

RATHER: You mentioned again children.

Mrs. CLINTON: Mm-hmm.

RATHER: It--it's been--you know--it's been your--your burning passion--it's just--to what you've been connected for most of your career. Did or did not the president, your husband, last year, did he communicate mixed messages to young people about right and wrong?

Mrs. CLINTON: Well, I--you know--again, I'm not gonna go back and, you know, talk about that in any public way at this time. I think he has, himself, spoken about the people he let down and the disappointment he caused. So I will let him speak to that.

But I think no matter who you are or no matter what you do or what's done to you, there's always the chance to try to make it better. That there's always the hope for forgiveness; to forgive and be forgiven. And that comes certainly out of my religious faith, but it also comes out of my personal experience.

RATHER: Do you believe in redemption?

Mrs. CLINTON: Absolutely. I've seen too much of it. I've not only seen it in the lives of other people, I've seen it in my own, and those I love around me. So I do.

(Footage of Rather and Clinton during interview; Capitol building at night; Clinton listening to president's State of the Union address)

RATHER: (Voiceover) She has set firm boundaries that she doesn't want broken. And whether she runs for the Senate or not, she is already on a campaign to make Americans define public and private the way she does.

Pres. CLINTON: (From State of the Union address) In her historic role to serve our nation and our best ideals...

RATHER: (Voiceover) But in the Clinton White House, public and private, his past and her future, are hard to separate.

If you were to run and if you would be elected, you would walk into the United States Senate, famous or infamous, depending on your point of view, being a pit of dealmaking compromise, and you'd be walking into a Senate in which a large number of the senators, or the same senators who had put your husband on trial and, indeed, tried to run both of you out of Washington, for all intents and purposes.

Mrs. CLINTON: But, you know, it is the United States Senate. It's part of the most important legislative body, I would argue, in the history of the world. And there are a lot of good things and there are a lot of good people who are working hard together. And, you know, after all the years that I've been in Washington and after all the difficulties and the challenges that you refer to, you know, I still really believe that we are blessed to be Americans and that public service is a privilege. So I'm not at all discouraged or pessimistic about the political process. I just know how tough it is. I know a lot more about that than I did before I got to Washington.

RATHER: Like it or not, I know you'll like it not, your husband is one of two presidents to have been impeached.

Mrs. CLINTON: Mm-hmm.

RATHER: Do you agree or disagree it's gonna be in the first paragraph of his obituary?

Mrs. CLINTON: Well, I--I don't know. I--that depends--I suppose it depends on who writes the obituary. I don't think that it is by any means the most important contribution of his presidency, which I consider to be filled with very significant progress for our country.

RATHER: He told me that he'd--in an interview...

Mrs. CLINTON: Mm-hmm.

RATHER: ...that he did not consider it a badge of shame. Do you?

Mrs. CLINTON: It was such a political process. It was--it was a tragically political misfortune for our country. And I think that when the history is written it'll be seen in a broader context and will be more understood.

RATHER: You've talked about that before, but--if--now have a chance to reflect on a little, of all the allegations, accusations, charges made, what do you consider to be the most--the--the most unfair attack?

Mrs. CLINTON: Well, you know, I think that the entire process was an unfortunate one, and I'm just glad it's behind us now. I'm glad that--that we survived that painful period. And it was painful. It was painful obviously for me and for my family and for our country.

(Footage of Clinton talking to Rather; Clinton walking in crowd; woman using camera)

RATHER: (Voiceover) It is the most she will share about the past year and a half, and for some in our confessional society, that may not be enough. But Hillary Clinton doesn't care.

She's intent on sharing something else: Not what she's gone through, but what she's come away with.

Mrs. CLINTON: You know, when you go through any kind of difficult experience, you have a choice. I mean, you can let it break you and embitter you, or you can take whatever you've experienced, whatever pain or suffering, and decide that you're still gonna have faith. You know, your faith in God, your faith in your fellow man, that you're still gonna believe that you can make a contribution to a better life. It's a choice. Every single day we wake up, you can choose to be cynical or hopeful. You can choose to be grateful or contemptuous. You can make all those choices. And for me, it's not a very hard choice.

WHITE HOUSE RELIGIOUS LEADERS PRAYER BREAKFAST, 9/28/1999

**REMARKS BY HILLARY RODHAM CLINTON AND PRESIDENT BILL CLINTON
AT WHITE HOUSE RELIGIOUS LEADERS PRAYER BREAKFAST
THE WHITE HOUSE
WASHINGTON, D.C.**

SECTION: WHITE HOUSE BRIEFING

MRS. CLINTON: Good morning, and welcome to our annual Prayer Breakfast. And so many of you are here for the first time, but we have some old friends as well, and this is an event that is very important to the president and to me personally and to the life of the White House.

I am very pleased to introduce Reverend Han (sp) of the Korean United Methodist Church of Greensboro (sp), Indiana. He will give us our blessing and then the president will say a few words and then we will have breakfast, and then after breakfast we hope to have a discussion, as we've had in previous years. And then we'll close with a benediction from Sister Nancy Sylvester.

As I ask Reverend Han (sp) to come forward, I would just say that we've had, in this past year, an unfortunate series of incidents related to religious and racial hatred. Reverend Han's (sp) congregation suffered a tragedy on July 4th when one of his parishioners was murdered leaving church, and I know that many of us have prayed for his congregation as we have prayed for all of those who have encountered and suffered from acts of violence or bigotry because of their religious faith this past year. And we will not only pray, but resolve to work against any such actions in any way that any of us can in the year to come.

Reverend Han (sp), please join us.

REVEREND HAN (sp) (Pastor, Korean United Methodist Church, Greensboro (sp), Indiana): Let us pray. Our Heavenly Father, we thank you for giving us this opportunity to share our experiences with others, including President and Mrs. Clinton. We give you thanks for this meal and the benefits of your bounty. We give you thanks for the hospitality of your house and for the companionship of the way that we have experienced around these tables. Give us wisdom and power and strength to overcome any evildoing like hate crime. Give us

grateful hearts, our Father, for all your mercies. Make us more critical of ourselves and more tolerant of others. Make us mindful of the needs of others and make us your instrument for your peace.

May God bless America and the whole world. In the name of the Lord, we pray. Amen.

RESPONSE: Amen.

NEWS CONFERENCE ON THE MINIMUM WAGE, 9/28/1999

FIRST LADY HILLARY RODHAM CLINTON HOLDS NEWS CONFERENCE ON THE MINIMUM WAGE WITH SECRETARY HERMAN, SENATORS KENNEDY AND BOXER AND OTHERS WASHINGTON, D.C.

BONIOR: Well, good morning to you all, and thank you all for coming.

Last week on the Capitol steps we announced a discharge petition to bring up a vote on the minimum wage, and we have yet to hear from the House Republican leadership. Last week Senator Kennedy tried to bring up the minimum wage in the Senate, but the Republican leadership there blocked it. So we are back here again today. We are not going away. We are not going to give up, and we are not going to stop until this Congress takes action to give 12 million working Americans the raise that they deserve.

I want to offer a special welcome to the first lady, Hillary Rodham Clinton. There is nobody who has been more committed, more passionate about helping America's working families. And this study backs up what she's been saying all along, that working families deserve a raise. No mother can raise a family on \$5.15 an hour.

There are those who say that raising the minimum wage cost jobs. Well, the evidence proves them wrong. And to them I say, look at the data. Check the statistics. Read the studies. After the last increase, there was no job loss. Employment actually went up in the minimum wage sector.

In yesterday's Washington Post I read that a certain Texas governor might support an increase of the minimum wage, but only if the states can opt out. Well, that's like saying all drivers have to stop at a red light, unless they want to opt out. Or that chemical factories can't dump waste in our rivers unless they want to opt out. Or that states have to abide by civil rights acts unless they want to, of course, opt out.

I hope this doesn't come as any news to Mr. Bush, but 12 million Americans who work for the minimum wage can't opt out. They can't opt out of paying rent. They can't opt out of their electric bill, and they can't opt out of buying groceries for their children. We need to raise the minimum wage, and we need to do it now.

We have the votes in the House of representatives. We have the support of the American people. We have a discharge petition at the clerk's desk, and the clock is running. When --

when will the Republican leadership stop blocking the minimum wage increase? When are they going to start to listen to the American people? When are they going to do for working Americans what they did for themselves? The clock is running.

I would now like to thank two people who have made a great contribution to our understanding of this issue, Jared Bernstein of the Economic Policy Institute, and Heidi Hartman of the Institute for Women's Policy Research. They have teamed up to do a remarkable bit of research for this report. We are grateful to them for their insight, and we thank them for joining us today. Please welcome Jared Bernstein.

(APPLAUSE)

BERNSTEIN: Thank you. When Francis Perkins, who became the first female cabinet member, was offered the job of labor secretary, she told President Roosevelt that one of her conditions for taking the job was the introduction of the minimum wage. She told FDR to be sure he wanted the wage floor, because, quote, "because you don't want me for secretary of labor if you don't."

Like Secretary Herman and our first lady today, Miss Perkins understood the vital importance of the minimum wage to women workers. Because of their low wages, female workers are overrepresented among those who will be affected by the increase to \$6.15. And among this population, minority workers and single moms are also overrepresented.

If Congress wants to help make work pay for working women, and to help close the gender pay gap, this increase is a key part of the package.

Those who oppose raising the minimum wage will forever trot out the argument that the increase will force low wage employers to fire or to hire fewer of those workers affected by the increase. The evidence, however, clearly contradicts this claim. Since the last increase in 1996, the low wage labor market has been stronger than ever. In recent months, the unemployment rates of African Americans, Hispanics and 16 to 24-year-olds, all of whom are likely to be low earners, hit 30-year lows.

But nowhere is the myth of disemployment more clear than in the case of single mothers. These women have sharply increased their participation in the labor force as reflected by their booming employment rates. After stagnating for many years, these rates rose steeply from 62 percent in '95 to 69 percent in 1998, directly over the period when the minimum wage was increased.

For women leaving the welfare rolls, employment rates grew even faster, and now stand at their highest record on level. It is trends like these that have taught us one of the most important economic policy lessons of the current robust recovery: The macro economy is the key determinant of the employment opportunities for low wage workers, most of whom are women. But the wage that these women receive once they enter the labor market is very much a function of where Congress decides to set the minimum. Disregarding this reality can only serve to swell the ranks of the working poor.

BERNSTEIN: It's now my pleasure to introduce a tireless advocate for working women and for the minimum wage, our Labor Secretary Alexis Herman.

(APPLAUSE)

HERMAN: Good morning, and thank you Jared.

I also want to thank this morning Senator Kennedy and Congressman Bonior for their fight for working families in our country today, but especially for their efforts to help raise the minimum wage.

And of course I'm honored to be here today with America's number one advocate for working families in this country, America's number one advocate for children: our first lady.

I recognize that we are here today to talk about Jared Bernstein and Heidi Hartman's important study. But this really is not an academic debate. It is about paying the rent, it is about buying food, it is about making sure that we can take care of our children. In fact, this is really about the reality of paychecks and reality checks.

And the reality is, is that for too many working families in our country today, you cannot make ends meet on simply the minimum wage as it exists. We need to recognize that 75 percent of those who are on minimum wage today are in fact adults. Three out of five are women, and they are the sole breadwinners for their families.

And we cannot talk about raising families in this country today if we are not prepared to talk about raising the minimum wage.

Now, you know the last time around all of the critics said that if we raise the minimum wage that we would wreck havoc to the economy, and in fact, the sky would fall. Well, the sky didn't fall, but unemployment did. And it literally fell for virtually every group in this country.

It's true, for teenagers, we are at a record low. For African- Americans, we are at a record low. For Hispanics, for high school dropouts.

If you look at every economic indicator in our country today, the fundamentals of our economy are solid, they are strong. And what raising the minimum wage will help us to underscore is the fact that we have to also make sure that the values that underscore our country will also be strong, and that we can make sure that everyone has a fair shot and a fair chance to share in our nation's prosperity.

And there's someone that champions every day the right of workers in this country to share in that prosperity. She is someone who truly honors the values on which this country was built. Our first lady recognizes that work is not just a source of income, but it is also a source of dignity.

Please welcome the number one champion for children and working families in this country, our first lady, Hillary Rodham Clinton.

(APPLAUSE)

CLINTON: Oh, thank you, thank you very much, thank you.

Well, I am delighted to be here with all of you to support the increase in the minimum wage and to highlight yet again another study that demonstrates how important raising the minimum wage is. And I certainly recommend this study to anyone who needs to study this issue because we now have proven once again through analysis of the economic data that

the minimum wage is a good deal. It's a good deal for the economy, it's a good deal for workers, it's a good deal for our country.

There are a number of people here who have been stalwart champions of the needs of working families, particularly working women. I want to thank Representative Bonior and Secretary Herman. I also want to thank Jared and Heidi and their colleagues, who have done such a great job.

In the audience there are a few other people who I have recognized who I know have been on the front lines of fighting for the needs of working people, and I particularly see our good friend Evie (ph) here, and I want to thank you, Evie (ph), for being here and for all the work you've done.

Now when we come again to ask the Congress to give working Americans a raise, it's fair to ask just what does this mean and who does it affect?

CLINTON: Well, the work that people on minimum wage do is vital work. It's the work of caring for children, it's the work of ringing up the food at the supermarket, it's the work of cooking and serving our meals. It's the work of cleaning our offices, of cutting and sewing our clothes, of caring for our aging parents and grandparents.

The wage increase that Congressman Bonior and Senator Kennedy are urging would mean a direct raise of \$2,000 a year for these working Americans.

Now, I have met a lot of people, particular women, across our country who have detailed to me the difference \$2,000 a year would make in their lives and the lives of their children, how that could mean seven months worth of groceries or five months worth of rent or ten months worth of utility. That extra dollar-an-hour might mean they would no longer have to worry about whether they had to try to find a second job and take time away from their children.

There will be no better time to raise the minimum wage. Frances Perkins was right all those years ago; our economy is stronger when everyone shares in the benefits of economic growth and prosperity.

Because of this administration's fiscally sound and socially responsible policies, we do have a record 19 million new jobs, the lowest unemployment rate in a generation and record-breaking home ownership rates. And the earned income tax credit has been the single biggest anti-poverty measure in our country's history next to Social Security.

So we have done a lot in the last six and a half years, the administration and members of Congress working together to try to give working Americans a fairer chance and to make sure that work pays. But there are still millions of Americans who are not realizing the full benefit of this economic prosperity.

You know the value of the minimum wage dropped more than 25 percent during the 1980s. I just want you to think about that. If you had been working for the minimum wage and you had been getting up every single day and you'd been going to work to clean those offices or serve those meals, every year you worked the value of what you brought home dropped.

By 1998 we know that the comparison of just 20 years before meant that in -- well, even 20 years before, a woman or a man working at a minimum wage full-time wouldn't be living in property. Twenty years later that was no longer the case. I don't think it's right that any person in our country works full time and brings home wages that leaves that person and that person's family in poverty.

The proposal pending before the Congress to increase the minimum wage would simply restore the real value of the minimum wage to what it was in 1982. We're not asking for special favors for these millions and millions of people who do a lot of the work that keeps this country going. We're asking for fairness and for respect and for economic security and for the chance to share in the prosperity that so many of the rest of us have enjoyed.

American can afford to raise the minimum wage. The last time it was raised in 1996, 10 million Americans got a raise and the economy continued to create jobs at an unprecedented pace.

Now, raising the minimum wage is certainly an American issue and a human issue, but it is particularly a woman's issue.

CLINTON: It is also a children's issue and a family issue.

So I would hope that every member of Congress the next time they visit a parent in a nursing home, sit down at a restaurant for a meal, see someone cleaning their office, or know what goes on in so many other settings where people work hard every day, would want every American to share this kind of prosperity and would vote to raise the minimum wage.

If I'm not mistaken, we have voted to raise the congressional wage -- haven't we, David?

And I would like to see members of Congress do the same for these 12 million working Americans.

And there isn't anyone who has championed this cause more or worked harder to make sure that working Americans did get a fair shot and that they're contributions to our country and our economy were respected and recognized than a man who has been a great champion and a great spokesman for a lot of the important issues of the last half of this century -- does that scare you a little bit, Ted...

(LAUGHTER)

... and that is the senior senator from Massachusetts, Ted Kennedy.

(APPLAUSE)

KENNEDY: Thank you very much, Mrs. Clinton. We're honored by your presence here because, as you have noted here today and reminded us so often, that with the greatest economic prosperity in the history of this country, there are men and women who have been left out and left behind.

On every single issue that we have faced in the Congress over the period of the last seven years that have involved children and the well-being of children and the neediest of children, you have been there speaking for them, not only here in Congress but all across this nation.

And for every time that we have addressed the issue of decency and fairness in the workplace, and particularly for women and mothers in the workplace, you have been an articulate and forceful spokesperson for those causes.

And on the issue of the minimum wage, you have written about this, you've spoken about this, you have urged the members of the House of Representatives and Senate to go ahead and advance this cause. We're proud to have you here. We welcome you in this battle.

And at the time that we do sign -- the president signs the increase in the minimum wage, there will be no one who has made a greater contribution to advancing that time than Hillary Rodham Clinton, and we're honored to have you here as part of the team to raise the increase in the minimum wage.

Mrs. Clinton has pointed out who the workers are that receive the minimum wage. They're in the schools across this country today as teacher's aides, helping and assisting teachers to try and educate the children and the future generation.

They are assistants in nursing homes trying to take care of our parents and grandparents, either in nursing homes or in home care facilities.

They are the men and women that toil long and hard in the buildings and where great decisions are made in order that our economy be strong.

And they are hard working men and women.

This is an issue that is a women's issue since 70 percent of all the minimum wage workers are women.

It's a children's issue since families where millions of children are living will be affected by the increase in the minimum wage. They'll have better lives, they'll enjoy better quality time with their parents. It's a children's issue.

It's a family issue so that families can live in dignity and in peace and stability with their children. It's a families issue.

It's an issue of civil rights since the great numbers of those individuals at the bottom rung of the economic ladder are men and women of color. It's a civil rights issue.

It's a fairness issue. Just about a week ago, the roll call was taken in the United States Senate, and it was virtually no opposition -- read the record -- by any of our Republican friends for \$4,600 a year increase in their pay scale.

KENNEDY: Read the record. No opposition to increasing their own wages -- \$4,600 in one year. What we are asking is that same Republican leadership that supported the increase for every member of Congress for \$4,600 to let us go to the floor of the United States Congress and Senate of the United States and let the people speak on the issue of the increase in the

minimum wage. And we are satisfied that we will win that vote in the Senate of the United States, in the House of Representatives.

We do not believe that anyone who wants to work, will work 40 hours a week, 52 weeks of the year, should have to live in poverty in America. We believe that Americans believe that.

(APPLAUSE)

This above all is a fairness issue. And the American people understand fairness.

Senator Lott, Speaker Hastert, let the American people speak. Let us vote on increasing the minimum wage.

(APPLAUSE)

BONIOR: Well, we thank you all for coming and we appreciate your attendance here today, and we look forward to working with you in this battle as the weeks and days go ahead. Thank you.

END

The First Wives Conference, CTV National News, 9/30/1999

LLOYD ROBERTSON: And finally for us tonight. Proof positive that behind some of the western world's most powerful decision makers are some very decisive women. Aline Chretien and Hillary Clinton won the hearts of all Ottawa today without having to win a vote. The wives of the Canadian Prime Minister and the US President showed that the making of public policy can begin at home. CTV's Jim Munson has more.

JIM MUNSON [Reporter]: Looking very much the politician she wants to be, the wife of the President of the United States was the star attraction at this spouses summit.

ALINE CHRETIEN [Canadian Prime Minister's Wife]: To introduce our next speaker, Mrs. Hillary Rodham Clinton.

MUNSON: And she charmed her old friend Aline Chretien, reminding the Prime Minister's wife of skating together five years ago on the Rideau canal.

HILLARY CLINTON [US First Lady]: And my piece of advice is do not ice skate with Aline who is a graceful, beautiful ice skater. But she does everything that way.

MUNSON: A graceful public speaker in her own right, Clinton quickly reminded sceptics of just how much influence she and other wives have had in shaping public policy over the past five years. She gave an example.

CLINTON: Because we set a goal of eliminating measles by the year 2000, measles cases have fallen 76 percent in our region.

MUNSON: To have Hillary Clinton get messages like that across has set the tone for this gathering.

HUGETTE LABELLE [Conference Moderator]: If you consider who the First Spouses are, they are people who have a tremendous opportunity because of who they are.

MUNSON: And because of who she is, Hillary Clinton was also asked to dedicate a sculpture at the new American embassy.

CLINTON: Are you ready?

UNIDENTIFIED MAN: One, two, three, cut.

MUNSON: Six hours on the ground, and the woman who some believe wouldn't mind having her husband's job one day was off to Washington.

CLINTON: Thank you all. Bye, bye.

MUNSON: Jim Munson, CTV News, Ottawa.

ROBERTSON: And that's the kind of day it's been on this September the 30th. I'm Lloyd Robertson. For all of us here at CTV News, good night.

NEWS CONFERENCE WITH SENATE MINORITY LEADER DASCHLE AND OTHERS ON EDUCATION, 10/22/1999

DASCHLE: Good morning, everyone. Negotiators will be working through this weekend to try to finish next year's budget for the federal government, so we wanted to take this opportunity to say again what our bottom line is concerning education. These are the things the administration and Democrats in Congress must be in the final budget or there is no deal.

In addition to my colleagues, Senators Tom Harkin, Ted Kennedy, John Kerry and Patty Murray and Byron Dorgan, we're honored to have with us two very special guests, First Lady **Hillary Rodham Clinton** and Krystal Wells, the first grade teacher from Hammond, Indiana.

Earlier this week, the day after congressional leaders met with the president at the White House to talk about how to finish the budget, our Republican colleagues suddenly announced that they wanted to spend more money on education than they originally proposed. We consider that a real sign of progress. It's a sign they understand how important good schools are to America's children and parents and to all of our futures. Unfortunately, the Republicans apparently still don't understand that it's not just how much money you spend on education, it's also how you use the money that matters.

Republicans want to give states a blank check with no accountability. We want schools to invest in things we know work. We want to help communities repair and replace old schools, because children can't learn and teachers can't teach in schools that are crumbling or overcrowded.

We want to expand after-school programs so parents don't have to worry when they're at work. They'll know that their children are in a safe place with responsible adults doing constructive things.

Most of all, we believe this Congress must keep a bipartisan commitment that we made last year to reduce the size of classes by putting 100,000 new teachers in America's classrooms. Ask any teacher -- any teacher -- and they'll tell you 35 students in a classroom isn't teaching, it's crowd control.

Over the next decade we're going to have to hire two million new teachers, two million new teachers to keep up with the increasing enrollment and teacher retirements. Yet the Republican education budget doesn't include one dime -- not one nickel -- to hire new teachers. Even worse, it doesn't include any money to re-hire the nearly 30,000 teachers who were hired last year under the president's 100,000 new teacher plan. There's no guarantee in the Republican budget that any of those teachers will be back next year. That pink slip should not be a reality for those 29,000 teachers, but that is the reality unless we win this fight.

So we're saying to budget negotiators that that has to change. The administration's budget includes enough money to keep the 30,000 teachers who were hired this year, plus enough money to hire 8,000 additional ones. It's the right plan for America's children and for our future.

The president has promised to veto any budget that fails to keep the bipartisan commitment we made last year to hire 100,000 teachers, and we have 38 senators who will sustain that veto. In fact, we have signed a letter that I have with me this morning that will do just that. Thirty-eight signatures on a letter that says, you send us a bill that is not meeting that goal, we will sustain a veto, any veto the president makes on that basis alone. This letter says it. These senators will do it.

Because it's not just how much money you spend, it's what you spend money on, there is no better investment in our children's education than new teachers.

It is now my pleasure to introduce one of those new teachers, Krystal Wells. Krystal is one of the 30,000 teachers hired this year under year one of the president's 100,000 new teacher initiative. She teaches first grade at Morton Elementary School in Hammond, Indiana. We're delighted to have her this morning.

Krystal.

(APPLAUSE)

WELLS: Thank you, Senator Daschle, and good morning. On behalf of all new teachers who were hired through the class size reduction initiative, I would like to thank all of you who had the foresight to invest in the learning of our children. From the perspective of a new teacher or any accomplished teacher, a smaller class size affords us the time to give quality attention to the needs of our students.

WELLS: As a teacher, I see your efforts to reduce class size as confirmation that you truly value education; that you understand the complexity of learning; and that you believe in learning for all, not just some.

In Hammond, Indiana, we have 16 elementary schools with approximately 150 first and second grade classrooms. Our school district, in conjunction with the Hammond Teachers Federation, chose to use all of its class size funds for three elementary schools in desperate need. I was hired in a collective effort to improve math and reading skills. With a small class, I can have one-on-one time with all of my kids, and I can have a close relationship with their parents.

I am proud to be a part of this initiative and to give back to the children of Morton (ph) Elementary, where I actually attended school as a child.

I am here today to say that reducing class size is critical. As a fourth-generation teacher, I have heard the horror stories of crowded classrooms and I know how fortunate my students are to have a teacher that can give them the attention that they need and deserve.

In fact, in addition to smaller classes, all of Hammond's newly hired elementary teachers participated in more than 70 hours of professional development programs. Our goal is to ensure that all students perform at or above grade level in reading and math by the third grade. Last year's class size funds brings us closer to that goal and brings Hammond's children closer to achieving their own dreams.

Reducing class size is more than an administrative luxury for teachers. It's an essential component for educating children. It has been commented that the problem with education today is that it lacks committed teachers. I ask you this morning: How does not protecting class size funds show a commitment to education? How does placing my job and thousands of teachers jobs in jeopardy and compromising the future of children in Hammond and millions of children across the nation show a commitment to education?

I implore you to protect the class size reduction initiative and to reject proposals that do not guarantee that teachers will be hired to reduce class size.

Teaching is an honorable profession, and I feel a great deal of pride and responsibility in joining the ranks. I deeply appreciate your recognizing its profound significance and fighting for the important resources that teachers need.

I thank you. My kids thank you. And we ask that you continue to increase the federal investment in learning.

Thank you.

At this time, it is now my great pleasure to introduce the first lady of the United States, **HillaryRodham Clinton**.

(APPLAUSE)

H. **CLINTON:** Well, Krystal, you ended with a lot of thank yous, but I'd like to thank you for being a teacher and for bringing your commitment to teaching and to the children who are entrusted to you to this room today, and speaking so eloquently on behalf of your profession and the students that you teach.

I'm delighted to be here with Senator Dorgan and Senator Daschle and Senators Murray and Harkin and Kennedy and Kerry to speak up on behalf of the great need we face in our country of lowering classroom size and putting qualified professionally trained teachers into our classrooms on behalf of our children.

You know, in poll after poll, the American people have spoken with one voice. Education is America's top priority. We know from parents and teachers and students that all of us want safe schools. We want modern schools that are wired so our children can be part of the information age. We want smaller classes. We want more after school programs. And we want to, just in general, make sure that our public schools are equipped well to do the job that our children need.

Now, the president and the administration have been listening to the American people, and they presented Congress with a plan to do just what the American people want in prioritizing the needs of education. And yet the Republican leadership and the Republicans in Congress have consistently voted against what America wants in education.

H. **CLINTON:** They have denied thousands of children the chance to learn in smaller classes and are even putting at risk the nearly 30,000 teachers that have already been put into the classroom, like Krystal.

You know, Krystal I think has already said how important it is that she as a teacher have the opportunity to interact with all of her children. Well, I think we ought to give every teacher that same opportunity, and I know all of us sitting here have been in and out of classrooms all over our country and inner-city neighborhoods and rural areas and suburban areas that are just absolutely cramped.

They are overwhelmed by the numbers of children. We have more children in school today than at any time in our history -- bigger than the so-called baby-boom generation. And as a result, we have classes of 25, 35, 38, 40 children, and we cannot expect children to learn and teachers to teach in that kind of environment.

We've also denied children the chance to participate in safe and enriching programs after school. This year 400,000 children were able to attend after-school activities supported by 21st century community learning-center grants. But twice as many children still have no safe place to go when they get out of school. I believe we need more after-school programs, and that's what the American people are asking for as well.

The president's budget would have tripled support for after-school programs, but again, we don't have that kind of response from the Republican leadership and the Republicans in Congress. In fact, Congress, under their leadership of the Republicans, have denied hundreds of schools the resources that they need. Today, just half the schools that need help are actually getting the extra help that they require for preparing some of our most disadvantaged children.

I hope that through efforts like this, but through the words of teachers like Krystal, particularly, we will see finally the kind of action that the president and the Democrats in Congress have been requesting.

And I particularly hope that after five years of struggling for it, we will begin to make movement on behalf of constructing and modernizing our schools.

You know, the General Accounting Office has estimated that our schools are in desperate need of more than \$112 billion in repairs and construction. But the Republican leadership and the Republicans in Congress continues to ignore the president's proposal for the kinds of help that states and districts need: additional tax relief that will enable them to modernize schools which is so desperately required.

So I would call on Congress to stop delaying and pass a school construction measure.

And one of those people who has been on the front lines advocating on behalf of reducing class size and making it possible for teachers to teach and children to learn is the distinguished senator from the state of Washington, Patty Murray.

(APPLAUSE)

MURRAY: Well, thank you very much. I'm very honored to be here with the first lady. I hope you do decide to run for the Senate. We have been able to put education on the national agenda; with you here, it will become the national agenda.

It is really an honor to be here with a teacher who is one of the teachers that is in a classroom today because of the dollars we put in the budget to reduce class size last year. She is able to do the job we want her to do as a teacher, but more importantly, the students in her classroom are going to have the best education possible.

She is why we are here today, along with a number of other teachers in our audience who also have been hired this year and have class sizes that are workable because of the work we did last year.

We're here today to send the message that smaller class sizes help to restore discipline to the classroom and allow our children to learn the basics, and we need to keep that commitment in this budget and beyond so that those kids can get the education they deserve.

I can tell you, as a former parent and a teacher, that reducing class sizes works. But don't just take our word for it. National studies show that reducing class size in the early grades makes more -- allows more kids to graduate, they have higher grade-point averages, and they are more inclined to pursue higher education. It works. We need a national commitment to keep it going.

I was able to visit a classroom just a few weeks ago in Tacoma, where they have used our class-size money to reduce the classes -- the class sizes in first grades.

MURRAY: I was in a first grade classroom with a teacher with 15 students, and she was so elated. She said to me that this is the first year I will be able to guarantee at the end of the year that every single one of my students will be able to read. I've never been able to do that before. That's the difference that this class size money makes. We have a responsibility to continue that commitment.

Now the Republicans are telling us that they're going to block grant that money and allow local flexibility. Let me tell you as a former school board member that without the national commitment for this money to be there to reduce class size, this money won't be able to be there to hire our teachers. They need to know that we're going to be there behind the class size money for the seven years we promised in order to hire those teachers and know that they will be there year after year after year. Otherwise, they won't be able to use this money for reducing class size.

The Republicans are offering school districts a false choice. We are here to tell you we will stand behind the president's veto of this bill if it does not include the class size money, because it is the right thing to do not only for today, but for 12 years from now when those first graders graduate and become economic partners with all of us in this great country.

It is my honor to introduce to you a leader in this battle, the ranking member on the Appropriations Committee, Senator Tom Harkin, whose been at the table day after day after day insisting that class size reduction remain in the bill so that we can do the right thing for all of our children. Senator Tom Harkin.

(APPLAUSE)

HARKIN: Thank you, Senator Murray. First of all, I want to thank Senator Clinton -- I mean -- the first lady for being here...

(LAUGHTER)

... it has a nice ring to it, though, I think -- for her great leadership in this area, and I look forward to working with her in the future on the issue of education and many other things. I want to thank Senator Daschle, our Democratic leader, for making education the number one issue here in the United States Senate. Were it not for Senator Daschle, it truly would have been put on the back burner.

I again also want to thank the person who has worked the longest, who has fought the hardest, and led us through all these battles for so many years, Senator Kennedy. He truly is our leader on the issue of education; to Senator Dorgan and Senator Murray and Senator Kerry also -- all of our -- all of those who have fought so hard to not only increase the funding for education, but to focus on the true needs of our schools.

Since Jonathan Kozol wrote his landmark book, "Savage Inequalities," the gap has not narrowed. In fact, it has been getting worse. The General Accounting Office estimates that 14 million American children attend classes in schools that are unsafe or inadequate. They estimate it will cost \$112 billion to upgrade existing public schools just to good condition. Forty-six percent of our schools lack adequate electrical wiring to hook up to the Internet. Enrollment in elementary and secondary schools is at an all-time high and will continue to grow over the next 10 years, making it necessary for the United States to build an additional 6,000 schools.

And the American Society of Civil Engineers reports that public schools are in worse condition than any other sector of our national infrastructure. We send a sorry message to our children when the nicest things they see are shopping malls, sports arenas, and movie theaters, and the most run-down place they see is their public school.

In 1980, the federal share of the education dollar that went to elementary and secondary education in the United States was just about 12 percent -- 1980. In 1999, going into the new millennium -- the new century -- the federal share of elementary and secondary education is now down to about seven percent. We're going in the wrong direction. We can and we must do better. We must rebuild and modernize our nation's crumbling schools. As we reduce class size, get teacher training, qualifications up, we have to rebuild and modernize our schools.

HARKIN: And those schools mainly are in our poorer areas. In the final days of this session, we'll be working to force the Republican leadership to keep their promise first to reduce class size. But we must also redouble our efforts to secure funds for school modernization. The president's budget provides tax credits to finance \$25 billion in new construction. These tax credits should make it possible to build up to 6,000 new schools when that money is leveraged.

We need to supplement, however, these tax credits with direct grants for the nation's neediest school districts. Some school districts are even too poor to float a bond issue. So this comprehensive two-prong approach, one on the tax credit side and the bond issue that the president's pushing, the other one to give direct grants to schools that we have pending legislation here to do, is necessary to address this pressing national problem.

So again, I'm proud to be here with my colleagues and with the first lady to focus more attention on this. We cannot let up. We are in the final days of our negotiation on the appropriations bills, and I am afraid that once again, education will not be on the front burner as it ought to be.

And now let me introduce a colleague of mine who has worked very hard on some innovative new approaches on education, who has worked very hard on early intervention programs so necessary to get our kids started on the right path, Senator John Kerry of Massachusetts.

(APPLAUSE)

KERRY: Tom, thank you very much. I'm delighted to join my colleagues, and I'm very, very grateful to Tom Daschle for his leadership in helping to put education where it ought to be, the number one issue in America. And like my colleagues, I'm thrilled to be here with the

first lady, whom we all look forward to having join us for her remarkable passion and commitment and the eloquence that she will bring to this debate, and most importantly, the vote that she will bring to this debate.

(LAUGHTER)

And I'm delighted to be here with my colleagues and my leader in Massachusetts, Senator Kennedy.

Ninety percent of America's children go to school in public schools. And yet we keep seeing the debate in the United States Senate reduced to a discussion over alternatives to the public school system. The Republicans essentially focus on a voucher, on putting \$7 into the pocket of some Americans, usually Americans who already have money, and that's been their plan.

The stark truth is that you cannot deal with America's problem of education. There aren't enough alternative schools. There aren't enough places to put people with vouchers. There aren't enough parochial schools, there aren't enough private schools. The only way to deal with the problem of America's education system is to fix the public school system and to support it. And the fact is that it's not just a question of 100,000 teachers. We've heard the statistics of the need for 10 -- over the next 10 years, for two million. Five million of them needed in the next five years.

Unfortunately, because of the lack of support, lack of mentoring, lack of ongoing professional education, lack of adequate class size, we lose 30 to 40 percent of our new teachers within the first three to four years.

So, if we're going to make real all the impassioned speeches on the floor of the Senate about transfer of values to our children, about the next generation of citizens, about a democracy that has the ability to manage all this information that comes at us in the modern age; if we're going to do all these things and have a workforce that can grow our businesses and grow our tax base, we have only one choice, and that is to invest in our children.

It's inexcusable that the Republicans -- I mean you can find an excuse maybe they can hide behind a reason to not pass a test ban treaty. They can hide behind a reason, the First Amendment, not to pass campaign finance reform. But there's nowhere to hide and there's no rational explanation to give the American people for not guaranteeing that the children of this country have the opportunity to learn and that teachers have the opportunity to teach to the standards that we've put into place.

KERRY: And that's what this fight is about. And we Democrats are absolutely committed to making this budget the stand and the ground on which we're going to fight so teachers have the ability to teach, kids have after-school programs, they're not turned out into homes that have no parents in the afternoon until late in the evening, that they have safety, that they have the capacity to have the remedial efforts, and that we change our value system.

That's what this fight is about. And it is a fight worth engaging in.

No one has understood that better, all these years, and no one has achieved a greater record of accomplishment, no one has been a stronger voice in this nation for all of these changes than my senior colleague from Massachusetts, Senator Kennedy.

(APPLAUSE)

KENNEDY: Thank you very much. Thank you very much, John Kerry.

Every one knows across this country that the real leader for children's issues and education issues over the last seven years has been the first lady of the United States. She has championed children's issues, she's championed education issues, and when she comes here to the Senate of the United States, she will be the education senator, and we thank her for joining with us today, **Hillary Rodham Clinton**.

(APPLAUSE)

We thank Tom Daschle. As Tom Harkin has pointed out, the reason that the education issue is on the front burner for the American agenda is because Senator Daschle has placed it here. We are all very much in his stead for the leadership that he has provided.

Tom Harkin will be leaving this meeting here today and returning to the conference which will be allocating resources. That is why today is important. Those appropriators are going to be making decisions on the issues that have been presented by Krystal, the first lady, and others here today. And Tom Harkin has been fighting and making that fight. We wish him well when he leaves here today.

We thank John Kerry, who's been a valued ally in raising the whole questions of education and provided enormous creativity in finding new ways to meet that challenge.

And it's a pleasure to be with Byron Dorgan, who is our floor manager and done such a job.

And to be especially glad to be here with Krystal, and listening to her words and heeding those words. We want you to know, Krystal, the best way we can thank you is by heeding those words and fighting on these education issues.

Very simple and fundamental question, and that is: Are we going to carry forward what teachers and parents want -- teachers and parents want -- and that is the smaller class size.

And a year ago, the Congress of the United States made a commitment to families all across this nation that we were going to have smaller class size, and that was with the leadership of Senator Murray. It's the Murray amendment: smaller class size. And the Congress went on record and said yes, we are going to do that. And the question is in these final weeks: Are we going to be the Congress that breaks our word to these families? Are we going to become the anti-education Congress? It is as simple and plain as that.

Money can't solve all the problems in education, but it's a reflection of the nation's priorities in education. And it's not only important to have the resource but to commit the resources. And the question now that is before the Congress in these last days is will we continue that commitment that has placed 30,000 teachers in classrooms across the country?

We have seen what the action of Republican leadership has been in the House of Representatives: It's been a thumbs down.

We have seen what Republican leadership has been in the Senate of the United States: It is thumbs down.

We are here today to commit to the families across this nation that we -- that is not a satisfactory answer, and we are going to fight it every step of the way, and we know we have a president that will support that effort and lead that effort. That is what today is all about. Thank you.

(APPLAUSE)

DASCHLE: We all want whatever he had for breakfast.

(LAUGHTER)

DASCHLE: Mrs. Clinton has to depart to attend a conference at the White House. But on behalf of the entire Democratic caucus, Hillary, we are just delighted that you could be here. We appreciate your leadership. We appreciate your commitment. And we want you back fulltime soon.

H. **CLINTON:** Thank you all. Thanks, Tom.

(APPLAUSE)

DASCHLE: My colleagues and I would be happy to entertain questions for a period, if there are questions to be asked.

QUESTION: Yes, Senator Daschle, on another subject, could you define the difference between racial bias and racism?

DASCHLE: I'm sorry?

QUESTION: Define the difference between minority bias and racism?

DASCHLE: Define the difference between minority bias and racism. Well, racism I think is a -- we all recognize racism in many occasions. It's a hatred. It's a disease. It's a sickness that has to be rid from our society. I think lack of sensitivity to minorities and to race sometimes is far more pervasive and maybe just as problematic in some cases, but clearly ought to be something we attempt to address each and every time the situation occurs.

We have seen a pattern of a lack of insensitivity that creates the perception that those who find themselves in the minority, whether it's race, women -- an array of different options -- find greater difficulty, greater challenge and less opportunity. We want to rid ourselves of that.

We as members of Congress have made progress in the last several decades in doing just that. My colleagues here and others have made a great effort to rid ourselves not only of racism, but of the lack of opportunity that exists today for minorities. I hope we can continue to do that. I believe in many cases in recent weeks the perception has been created by some of our Republican colleagues that that lack of sensitivity is still a serious problem in the United States Senate.

QUESTION: (OFF-MIKE) in general or the leadership -- who are you blaming for it?

DASCHLE: I'm not blaming anybody. I'm simply saying that a serious problem exists with regard to the perception that when it comes to opportunities for Hispanic Americans;

opportunities for African Americans -- that there appears to be a double standard. It takes longer for an African American or Hispanic American nominee for a judgeship to be confirmed. The CRA was the last issue resolved last night in the financial modernization bill. The bilingual education bill languishes in large measure because of a lack of sensitivity of the importance of language to some of our minorities.

I'm not blaming anybody. I'm simply pointing out that we've got a job to do in ridding ourselves of that perception.

Yes.

QUESTION: Senator Daschle, you all have touched on a couple of times during the -- in the course of the presentation, but I'd like you to take another bite at the block grant apple, if you would. The other side would say, I'm sure, that block grants are better because it gives local districts who might know better where money needs to be applied, the chance to do so, and that sending money in the way you all are doing it tends to hamstring them -- to tie their hands. They aren't able to do what they really need to do. Why is that erroneous?

DASCHLE: I'll let some of my colleagues answer that.

MURRAY: Well, let me answer you in two ways. First of all, one year ago in a bipartisan effort, Republicans and Democrats stood up together after the budget negotiation and said: Our accomplishment, whether we're Republicans or Democrats, is reducing class size. Today, one year later, Republicans are saying: We're not going to use that money for reducing class size; we're going to block grant it.

If I'm a school board member or somebody trying to allocate money at the local level, I'm going to ask myself: Well, what are they going to do to me next year? If you look at the history of block grants, you're going to guess, probably rightly, that that block grant will be cut. If you're a school board member trying to hire teachers, you are not going to hire a teacher knowing that that money is going to be taken away in a year. That's one answer and a very important one.

But secondly, we know that reducing class size makes a difference for the education of our young children, whether it's teaching them the basics, reducing discipline in a world where we're concerned about violence, and making sure that our children stay in school and go on to get a higher education. We know that that is a commitment that we need to make at the federal level, state level, and local level. And we at the federal level have to be part of that partnership to make it happen.

MURRAY: That's the commitment we have. We agree with our Republican colleagues that our school districts need more resources. We agree that they need more money. But we're not going to take it away from the commitment we have made on this important effort to reduce class sizes.

QUESTION: Senator Harkin, I wondered, what do you think of the proposal for an across-the-board cut as a way to end these negotiations? They impact on education. It's about \$500 million it looks like of a cut.

HARKIN: Well, that's sort of the brainless way of doing things. It's -- I hope that we don't have to resort to that. I find it unacceptable to have those across-the-board cuts. It just would cut some of our basic programs that we have been trying to get funds up for.

The president's budget had the necessary offsets. I have also come up with some offsets of my own that would fully cover these, but the Republicans seem intent on not having those offsets and just having big, deep cuts.

This across-the-board cut could be devastating in a lot of our programs. So, again, I hope we don't have to resort to that. But that may be what they're going to try to force on us.

QUESTION: Senator, as we all know, Mrs. Clinton is looking at running for Senate in New York. Many of Mayor Giuliani's Democratic opponents in New York City say that he hasn't done enough or failed to do much to improve education in New York City. Do you or your colleagues agree with that assessment?

DASCHLE: Yes.

(LAUGHTER)

QUESTION: Could you elaborate on that?

(LAUGHTER)

DASCHLE: No. Thank you all.

(LAUGHTER)

(APPLAUSE)

END

NEWS CONFERENCE WITH OTHER DEMOCRATS ON PRESCRIPTION DRUG COSTS FOR SENIORS, 11/9/1999

GEPHARDT: Good morning, everyone. I am surrounded by a number of members of the Democratic caucus of the House, all members of the House of Representatives, and we thank them all for coming out today.

I also want to thank the first lady for joining us. Give her a big hand.

(APPLAUSE)

We're going to hear from her in just a moment.

I know that in her travels around our country she faces some of the same questions all of us face as we talk to our neighbors and friends. I'm asked again and again, why doesn't

Congress address the issues that families really care about? Improving education; making our schools and neighborhoods safe; and addressing the rising costs of health care. Unfortunately, we now have a Congress that puts the special interests ahead of the public interest.

We have a Republican leadership whose number one goal is to get through the year without addressing the important issues the American people sent us here to do. They've succeeded once again this year providing a \$1 trillion tax cut for corporations and special interests but not one sent to extend the life of Social Security or to modernize Medicare with a prescription drug plan.

Democrats have tried to do the people's business. We tirelessly worked to get our top priority, a Patients' Bill of Rights, on the floor of the House. We wanted to take medical decision-making away from the HMO bureaucrats and return it to the doctors and patients where it belongs.

(APPLAUSE)

But our efforts have been bottled up and frankly buried in a conference committee by the Republican leadership that puts the needs of insurance companies ahead of the needs of America's families. A narrow extreme view in Congress too often stands in the way of real progress, preventing us from enacting the strong yet sensible reforms that are necessary to ensure that the quality of health care that Americans receive goes up, not down.

Seniors are feeling the impact of the status quo on their pocketbook and on their health. Medicare has served seniors well over the last three decades. This program really works. But changes in the marketplace are pricing quality health care out of the reach of more and more seniors. A Medicare prescription drug plan and help for seniors in obtaining the best price for their drugs are now an absolute necessity to millions of seniors who are currently put in the position of choosing food or medicine or rent or medicine or heat or medicine.

GEPHARDT: The pharmaceutical industry and their allies in the Republican leadership are committed to making sure that this legislation never sees the light of day, but Democrats are not going to accept their obstructionism.

(APPLAUSE)

We won't stop until we break down the walls of resistance and succeed in bringing a prescription drug plan up for a debate in the next session next year in Congress. We forced HMO reform onto the agenda. And believe me, it wouldn't be there without these members and Democrats like them and some Republicans who said we've got to have this reform. And we forced it on with a discharge petition, and we're going to do the same thing next year for prescription drugs.

(APPLAUSE)

With the leadership of people like the first lady, who brings unparalleled passion and knowledge to health care issues, Democrats are going to win this very fundamental battle for the quality of life for America's seniors, our most important citizens, who've given us the quality of life in the great country that we have.

Now it's my honor to introduce a courageous woman who's dedicated her career to the well being of people: children, seniors, people of every walk of life. She's been a magnificent first lady for our country, and I believe she's going to make a magnificent senator from the state of New York. Hillary Clinton.

(APPLAUSE)

CLINTON: Thank you. Thank you. Well, I want to thank Leader Gephardt for his leadership on this and so many other important issues that are facing our country.

CLINTON: You know, we are now entering the closing days of the first session of the 106th Congress, and I am confident that when the 107th Congress convenes, we will have a new speaker and his name will be Dick Gephardt.

(APPLAUSE)

And we'll have a new majority leader and his name will be David Bonior.

(APPLAUSE)

Now, this will happen because, under the leadership of the president, the vice president, Democrats in Congress and allies throughout the country, the Democratic Party is the only party fighting for issues that the American people really care about that are close to our hearts; whether it is the economy or health care, Social Security, education, the environment or prescription drugs for our nation's seniors. And it is a privilege to join so many Democratic members of Congress in making this commitment to our seniors as strong as we possibly can.

There are many people here I would like to recognize but let me just mention a few: Henry Waxman, through his leadership of the Government Reform Committee, has produced over 100 reports highlighting just how difficult it has become for seniors to afford essential life-saving drugs. If you need any evidence that this is a critical issue, then just look at the report that Henry Waxman has created based on evidence from throughout our country.

John Dingell, Pete Stark, Sherrod Brown and the Democratic colleagues on their committees have worked hard to develop Medicare prescription drug policies. Tom Allen and Jim Turner and Ronnie Shows and Marion Berry have taken a leadership role in addressing the differential pricing issue. And just last week Karen Thurman sponsored an amendment to help seniors get discounts on medication and on a straight party-line vote it was rejected by the Ways and Means Committee.

CLINTON: Now -- yes, appropriate sound effects.

(LAUGHTER)

All of these members, plus the others who stand here today, have made a commitment to doing everything we possibly can to ensure that our seniors have the medical coverage and the prescription drugs that they need to stay healthy and to have the quality of life that we want our older men and women to have.

And we come together today for a very simple reason: Millions of older Americans cannot afford the prescription drugs they need to live their lives in dignity.

Now there are many groups represented in the audience: The National Council of Senior Citizens; the Older Women's League, known as OWL, very wise; the National Committee to Preserve Social Security and Medicare; the National Community Pharmacists Association; and many others that have joined with the Democrats in Congress to make as clear as we can that this is an issue that is not going away, that it is an issue that will be with us this year and next year.

(APPLAUSE)

And that's because the facts are so compelling. More than two-thirds of all Medicare beneficiaries have no coverage or inadequate Medigap coverage. This is not just a problem for low-income beneficiaries. Over half of Medicare beneficiaries without drug coverage have incomes greater than 150 percent of the poverty level.

And the problem is getting worse. The number of firms offering health insurance for retirees have dropped 25 percent over the past four years. And Medigap premiums -- which increase with age -- have been rising at double-digit rates.

CLINTON: Now the drug industry can buy all the ads they want to provide cover for their inaction, but the one thing their ads cannot deny is that the problem is real and the time for action is now.

(APPLAUSE)

I wish these companies running the ads would respond to the kind of letters that I receive and the president receives and I know every member of Congress standing here receives. We've heard from a couple in Georgia who said their prescription drug costs are now their biggest expense -- more than food or even housing. They said they didn't care if their Medicare premium went up, it wouldn't come close to the bill for their drugs.

A woman from Indiana told us she has been cutting her medication dosage in half because she cannot afford the full cost of her prescriptions. And right here in Washington, I met Judy Kedo (ph), whose mother moved in with her because she could not afford to buy her medications unless she stopped paying her rent.

Now the president in his comprehensive Medicare reform plan has proposed a prescription drug benefit that has no deductible and pays for half of all drug costs up to \$5,000. It uses private sector buyers to negotiate discounts for Medicare beneficiaries, including those who have exceeded the cap. It is a sound plan. And the more I travel and speak with Americans about their hopes and concerns, the more I understand that the Republicans in Congress and Republicans throughout the country just don't get it.

You know, the Republican-led Congress, as Dick said, can pass a huge tax scheme that Americans don't want and that would undermine our economy, but for some reason, they put off even having a debate over prescription drug cost and coverage. Providing access to affordable prescription drugs should not be a Democratic or Republican issue. This is an American issue. And...

(APPLAUSE)

... I don't know what the Republican leadership is afraid of. The time for waiting has ended and the time for debating has come. And I know that if we follow the lead of the Democrats gathered here today, we will succeed in meeting this challenge, and we cannot afford to fail.

CLINTON: Now, we will not fail in obtaining this kind of support for older Americans because we have the commitment of leaders like Henry Waxman. Now, he has given himself to issues like this for decades. He's won so many legislative victories because he's never given up fighting for the people he was elected to serve. And as long as we follow his lead in representing the people's real interests, and not the special interests, we cannot go wrong and neither can the American people.

It's now my honor and pleasure to introduce a great leader, Congressman Henry Waxman.

(APPLAUSE)

WAXMAN: Thank you very much, Mrs. Clinton.

It's a great honor and an extraordinary help to have the first lady come here and speak about this important issue. We all know her as a champion for health care for seniors and all Americans. She brings great knowledge and passion to this fight. And with her leading the way, I hope we don't have to wait until you get into the Senate to pass this bill. But if necessary, we will have her fighting for us and for this legislation.

For too long, our nation's most vulnerable citizens have faced intolerable price discriminations when it comes to pharmaceuticals. The sad reality is that those in greatest need of life-saving medicines are often those who have the least ability to pay for those drugs. And for them, the drug companies are charging the highest possible prices. It's inexcusable; it's unconscionable.

The nationwide report that we're releasing today shows that seniors from California to Maine are paying over 130 percent more for their prescription drugs than for those who are in HMOs or have support from the federal government, those that the pharmaceutical companies consider their best customers, the ones they give the discounts too. But for the seniors, they raise the prices as much as 130 percent.

And in fact, for some drugs, the markup has been 1,500 percent more than those favored customers of the drug companies.

Many of our uninsured seniors face this cruel dilemma, a dilemma of deciding whether to take their scarce resources and pay for their food, or pay for their drugs, or pay for other necessities of life.

WAXMAN: And that's made even crueler when they know that the identical drugs that they're having to pay so much to buy are being offered at a half-price sale to those who are covered by the federal government or large HMOs or even consumers in Mexico and Canada, and even to veterinarians who often buy these very same drugs to use for animals.

Well, the unconscionable gouging of our seniors is unacceptable and it must end.

(APPLAUSE)

Thanks to the leadership of Dick Gephardt, David Bonior, Tom Allen, Jim Turner, members from the Democratic caucus from all parts of the country, and the first lady, we're going to fight to pass legislation to stop discrimination in pricing against seniors and to cover what is a very important basic health need for all of the Medicare population.

We've got to fight to break the stranglehold the drug companies have on the Republican leadership. This shouldn't be a partisan issue, but yet the Republican leadership, as they did on HMOs, Patients' Bill of Rights, and they're doing now on pharmaceutical coverage, won't let their members vote with us to stop the drug companies from gouging seniors.

We're battling to have prescription drug legislation debated now, and if we have to, we'll continue this fight next year, because we're not going to quit until there's an end to discriminatory pricing and there's coverage for all seniors that need it.

I'm pleased now to turn over this platform to Ed Dillon (ph) of Grubb's Pharmacy, a pharmacist who deals with these issues every single day.

(APPLAUSE)

And he's here to share his experiences with us.

(APPLAUSE)

Mr. Dillon.

(APPLAUSE, CHEERS)

ED DILLON (PH), PHARMACIST: That's a great welcome. I hope I don't disappoint anyone.

(LAUGHTER)

(UNKNOWN): Tell the truth.

DILLON (PH): I do want to thank Democratic Leader Gephardt, the first lady, Ms. Clinton, and Chairman Waxman for this opportunity.

DILLON (ph): I'm delighted and really honored to have the opportunity to talk today, really because I have deep feelings about this and because it's an issue that I do deal with every single day.

I'm not an elected official, I'm not a member of the media, I'm not on the board of directors of a major pharmaceutical company. I'm just a community pharmacist that's done this for 25 years.

Like thousands of other pharmacists across the country, every single day I meet with patients face to face, literally hundreds of patients a week. We answer their questions, we address their concerns, we talk about interactions and possible harmful side effects, we try and pass along general medical information. We really believe we provide a valuable service.

We love to answer questions, and we feel that's an important part of our job. But there's one question that all of us, whether you're working in an independent pharmacy, a chain pharmacy, any community pharmacy: Why do my medications cost so much? Why does my prescription cost so much?

Now no one understands or appreciates the accomplishments of the pharmaceutical industry more than I do. Every day I see lives literally saved and people's health dramatically improved. But nothing is more frustrating than trying to explain how pharmaceuticals are priced in this country.

When you try and talk to a person and tell them the details about the complex system of multiple discounts and rebates and cost-shifting to HMOs, where discounts are given to HMOs and price increases are passed on to the private sector, people -- people have a hard time understanding it.

The truth is, none of it makes sense. And after a minute or two, invariably people look at you with a funny look, they scratch their head and they say: That's just crazy.

But the reality is, it is crazy. It's a fact that virtually every one gets cheaper prices than community pharmacies and the patients they serve. Survey after survey has demonstrated that special pricing arrangements for seniors in this country to pay more than just about every one else in the world.

And pharmacists like myself, both chain and independent, are faced with the task of explaining that on a day-to-day basis, how this crazy system works and why they are sometimes forced between buying food, paying their rent, or purchasing their prescriptions.

DILLON (ph): These aren't luxuries or options we're talking about, but they are necessities required for people to maintain their health.

I can explain the cost of research and development, I can explain all the good that the pharmaceutical industry has accomplished, but I can't explain why their prescriptions cost so much.

I can't explain why a senior citizen like my 85-year-old mother, who struggled all her life to raise six children and lives on an limited income, is forced to pay two or three times as much as an HMO or a billion dollar insurance company, or even worse, twice which she would pay if she lived in Germany or Mexico and Canada. And that's for products that were developed by American industry and produced in this country. It doesn't make any sense to me.

If someone understands the fairness of this, please explain it to me or better yet, explain it to my mom and all the other senior citizens in this country.

I'm not a believer in big government or federal interference in the marketplace, but I do believe that when there is a real injustice, the role of government -- in fact, the responsibility of government -- is to step in and level the playing field and to protect those who are in need. I believe this is one of those times.

(APPLAUSE)

Just in closing, I really don't believe that this is a political issue. Like the first lady said, this is an American issue.

You know, sometimes we should just do the right thing because it's the right thing to do. I think this is one of those times.

(APPLAUSE)

Thank you. And now it's my honor to introduce the Democratic whip, Mr. Bonior.

Mr. Bonior?

BONIOR: Thank you, Ed, and thank you for your very informative and passionate remarks.

I happen to actually just live -- or did live, up until just a couple of years ago, very close to Grubbs Pharmacy where Ed practices -- just about two doors away and spent a good deal of time in there for a variety of different reasons. And I want to tell you that I have seen him have to explain to people, on a regular basis, why these costs are so astronomically high.

I've watched and talked to people who come in there, and they look into their wallet, and they pull out a few dollar bills and they'll ask, what can this buy me?

BONIOR: I mean, this is real stuff, and you can see it every day on every corner in every drugstore in the country. And it's important that we do something about it.

The American people are frustrated with this Congress. There's a lot of sound and a lot of fury, but very little is getting done here. And the country is asking themselves, well, why? They see the Republicans push for, as the leader said and the first lady said, a \$1 trillion tax cut; a trillion dollars. And then they turn around and they say, the Republicans, that they can't afford to help people cope with the rising cost of prescription drugs, and it doesn't make any sense to them.

A majority of Americans support a prescription drug benefit, and they expect actions from this Congress, not excuses. A majority of Americans want to put medical decisions back into the hands of doctors and patients, and they support a Patients' Bill of Rights. They expect progress from us, not procrastination on this important issue.

A majority of Americans are worried about violence in their children's schools and in the workplace. They expect the Congress to make decisions on these important issues and not delay. And the list goes on and on. Campaign finance reform -- nothing. School construction and modernization -- nothing. Protecting Medicare -- nothing. Strengthening Social Security -- nothing coming out of this Congress.

So it's no wonder the American people are frustrated. It's no wonder that they're cynical. The majority in Congress is deliberately ignoring them on issue after issue that matter to them in a very personal way. It touches their lives every day, all of these issues. And that's why we have had to resort to discharge petitions to force these issues onto the calendar of the House of Representatives.

We've introduced strong, common-sense legislation to address America's prescription drug crisis and to help seniors avoid having to choose between buying groceries or taking the medicine their doctors prescribe. Yet the Republican leaders refuse to schedule a vote.

Well, here to talk about our efforts to help older Americans get prescription drug coverage is Congressman Pete Stark. Pete Stark has been a champion, a champion of comprehensive Medicare reform, and he has been a passionate advocate, a very passionate advocate for older Americans on a variety of issues, not only health care but other issues that affect their lives.

Pete Stark.

(APPLAUSE)

STARK: Today we're going to file a discharge petition on a bill written by Senator Kennedy and myself and Mr. Dingell to provide access to affordable medications in the Medicare Act.

STARK: There will be other discharge petitions, but we're going to have a benefit that's comprehensive; it has a \$200 deductible, 20 percent co-insurance for seniors up to \$1700 a year and after \$3,000 out of pocket, there is a catastrophic benefit to pay for 100 percent of the drug costs after somebody has spent \$3,000. The president has proposed a plan that's similar with no annual deductible. It's different, but it's similar.

These are bills that are all variations. We're going to have the Turner-Allen-Waxman bill, which is another way to help seniors get drugs at a discount at no cost to the federal government. And I might remind the people that we -- this was brought up -- Karen Thurman introduced this amendment in the Ways and Means Committee where they're over talking about helping Social Security today, and where we just passed out a bill for \$800 billion in tax cuts.

Every Republican on the Ways and Means Committee voted to deny senior citizens a discount on their prescription drugs at no cost to the federal government.

Now, what do you have to give them to make them do what's right? We're going to give them a discharge petition for all of us...

(APPLAUSE)

... and it should be the rallying point to show America and our colleagues that we intend, in the Democratic Party, to keep reminding people that we can do this.

We have the greatest economic boom of all times. We have everything going for us; and, yet, we can't find the money to help seniors get a reasonable price on their prescription drugs? Nonsense.

If the Republican mayor in New York can go to a fund-raiser today to get money from the pharmaceutical industry, if the Republican leader in the Senate can be taking pork home to Mississippi but not give us five cents to help seniors, then we know where the trouble lies. It lies in a political solution and I want to...

(APPLAUSE)

I've said enough. I think that Ronnie Shows, who came here from Mississippi, has got to tell us what he's going to do because he's going to march over to the House floor today with another bill and lead the fight from the South. We come from the West. We're coming from New England and New York. We're going to surround them and we're going to do what's right.

Ronnie Shows from Mississippi.

(APPLAUSE)

SHOWS: Thank you. I want to thank Pete for that great introduction, and I thank Mrs. Clinton. We appreciate you being here, and my colleagues, Mr. Gephardt, Mr. Bonior and Mr. Waxman and other distinguished members of the press and other special guests.

This is a very important day for me. I've been a representative from the Fourth Congressional District of Mississippi almost a year now, and we've debated large and small items, I guess you might say. But our nation is continuing to grow in the greatest expansion of our economy that we've ever known. But can we really, truly move forward and leaving some people behind? Can we actually turn our backs on the elderly and seniors of our country? The very people -- think about it -- the very people that Tom Brokaw calls the greatest generation, that fought a Depression and fought a war and now you know what they're fighting? Another war. A war on drugs, you might say, or maybe the drug companies.

The people who ought to be benefiting from the most important times of their life are being asked to sacrifice and to give up other things like food, paying their rent, their electric bill. I tell you, I'm from Mississippi, and that's not right, and I don't believe it's right with any of these people here or they would not be here.

(APPLAUSE)

And I can -- and believe me, I can give you some examples from Mississippi. I represent the Fourth District, and we're not the wealthiest district in the state, believe me. And I can tell you stories of a lady named Lucille Bruce (ph) from Clinton. She lives on a fixed income and she pays in excess of \$200 each month for prescription medicine. But she does have some salvation because her daughter offsets that expense. So she has some family to take care of her. But you know what Mrs. Bruce (ph) worries about? What about the people who don't have family support? We have millions of them out there that do not have this support, and that's what Mrs. Bruce (ph) worries about. That's what I worry about, and that's what everybody in this room worries about.

H.R. 664, the Prescription Drug Fairness for Seniors Act, was introduced by my friend and colleague, Tom Allen from Maine.

(APPLAUSE, CHEERS)

This legislation will lower the cost of what seniors pay for prescription drugs. Seniors pay much more for prescription drugs than the drug companies or their favorite customers. You know, my favorite customers are seniors.

(LAUGHTER)

Such as the federal government and large HMOs. This legislation will allow the pharmacists, like Mr. Dillon (ph) back here, to purchase drugs for Medicare beneficiaries at the same rate as the government and large HMOs. In other words, make our parents and grandparents favored customers as well.

(APPLAUSE)

Our seniors should not have to be forced to make these decisions they're having to make. I've absolutely got people in my district that I've talked to and pharmacists I've talked to that have to buy their medication, take their medication every other day, and this is something that's not unusual. It happens every day. They should not have to make this choice. Yet today, many seniors are put in that very position. And it's also a shame that we've got over 150 co-sponsors on this bill. I don't think we've got one Republican on it. Over 150 co-sponsors, and we have not got one Republican on it. If there's one, I beg his pardon, but I don't know it.

Today I'm going to offer a resolution to bring H.R. 664 to the floor for a vote. If no action is taken within seven days -- seven days to do the right thing -- I will file a discharge petition to take my resolution from the Rules Committee and bring H.R. 664 directly to the floor for a vote.

Just think about it. Seven days for the leadership to do the right thing and for people to enjoy a decent standard of living at the end of the American century. I choose to stand with our senior citizens. I choose to fight for their values and principles, and I know that we all hold closely. Help us move H.R. 664 forward today for our seniors and for all of us.

Thank you.

(APPLAUSE)

GEPHARDT: We want to again thank the first lady for being here with us. She has a schedule that requires her to leave now, but before she does, we want to tell her as a group again how proud we are of her and how much we thank her for her efforts for senior citizens in this country.

(APPLAUSE)

I'd like to also recognize a representative who is the ranking member of the Health Subcommittee of the Commerce Committee and has worked prodigiously to get this legislation across.

GEPHARDT: And it's also his birthday today. Sherrod Brown of Ohio.

(APPLAUSE)

Questions? Yes.

QUESTION: (OFF-MIKE)

GEPHARDT: Well, as you know, this session this year may end in the next few days or few weeks, we're not sure when. But we've decided that the only way we're going to get a vote

on these bills is to force them on to the agenda. If we're still here next week, we could have a vote on this if the Republican leadership would decide to do it.

As you know, the leadership here decides the schedule every day, we have no power, other than through the discharge, to get something to be voted on. So we are resorting to the same tool we've had to use on minimum wage and on Patients' Bill of Rights and on a whole range of issues because they simply won't bring it up.

And I'm worried that they won't bring it up for the same reasons they didn't want to bring those other bills up. The special interests, who stand to make money from the system the way it is, don't want these bills brought up. And so they have influenced, I'm afraid, the leadership not to bring these things up.

And the only way we can overcome that special interest is through the discharge petition process, and that's what we're going to do. And I predict, if we can get it on the floor, we'll get not only most Democrats to vote for it, we'll get a lot of Republicans to vote for it, just like they did on Patients' Bill of Rights.

(APPLAUSE)

Yes.

QUESTION: Could you or Congressman Stark elaborate on this criticism of Mayor Giuliani for meeting with the pharmaceutical companies today?

GEPHARDT: Well, it's our understanding that meeting is occurring. Look, pharmaceutical companies have done a good job in this country, they have developed a lot of drugs using the NIH research, the basic research that the public has paid for. They've taken that research and developed it further into specific pharmaceutical items which are very important to our people. And I salute the industry and I think they've done a good job and I think they have very smart scientists and business people who help them develop these products.

What we're seeing here, though, is that simple fairness is required. And we had a press conference a week ago that showed that these companies, while they spend a lot on research and we give them a research and development tax credit to do that, and I'm for that and so are all these members, they have the largest profit margins of any industry group in the country.

Now, I understand their desire to make profit, that's the desire of anybody in business. They have every right to try to do that. But when the victim of their desire to make more profit is the senior citizens of this country and they're being dealt with unfairly, then, as many of the speakers said, it's the duty of the government and the responsibility of the government to come in and level that playing field so that seniors are treated like everybody else. And that's what we're trying to do.

(APPLAUSE)

Anything else? Well, thank you very much. Let's get it done.

(APPLAUSE)

END

REMARKS AT EVENT IN GREECE, 11/20/1999

Athens, Greece

CLINTON: Well, I am so pleased that I could be here this morning. I do hope some day to be able to come back and actually see my tree growing and make sure that it, along with literally hundreds of thousands of other trees, are helping to reforest this extraordinary, beautiful and important country.

I want to thank Efi (ph) for those much too kind words. She has been a friend and adviser and supporter, and cheerleader for me through good times and not so good times. And I want publicly, in the country she loves so much, in front of so many of her friends and colleagues to thank her publicly for her tireless commitment to Greek- American relations, to both of her countries and that is how she sees it.

It is always possible to love more than one child and Efi (ph) loves more than one country with the same passion and intensity. And we are certainly grateful that America is her adopted land. And we are very admiring of the continuing devotion she shows to Greece.

I'm also pleased to be here with the mayor, whom I have had the great personal pleasure of dealing with on my previous trip when my daughter and I came. We were so fortunate to be able to spend a good deal time and to really see more of the country and meet so many wonderful people.

And although this visit is far too short, I'm looking forward to the opportunity to return with my husband and my daughter and in a more leisurely way -- see more of the country. I'm continuing to learn more about Greece and I know that we would look forward greatly to a return visit.

And, Mr. Mayor, I said it privately and I would say also publicly just on our ride in from the airport and our short time back and forth to the presidential palace last night, the city looks fabulous.

And I know that you're getting ready for the Olympics and the entire world will be able to enjoy the hospitality and the beauty of Athens and of Greece.

I want to thank the deputy minister of foreign affairs and so many other friends who are here with us today. And I particularly want to acknowledge the new leadership of the foundation and to thank all of you who will carry on and continue this important work.

You know, we could not have made the progress that we did make with this project and with the foundation had it not been for the dedication of so many Greeks and so many Greek-Americans.

I'm particularly pleased that the mayor allowed the symphony orchestra of Athens to come to the United States and have such a very successful tour across America. And I don't think it would have been successful without your participation Nadyia (ph) and I thank you for commitment to this project which I know means not only so much to your mother, but so much to your mother personally.

This combines several things that I believe deeply in. First I do believe in honoring one's past and in respecting one's roots. You know we have a saying that a child needs two things -- roots and wings.

And without both, you're not giving a child or a person the kind of support that anyone needs, both to understand from where he or she came from and also where their destination might be.

As we are celebrating the millennium in the United States, the president and I started a Millennium Council. And we adopted as our theme, "Honor the Past, Imagine the Future." And that is indeed what this foundation is doing here in Greece.

You are honoring the past that gave so much to so many, not only to Greek-Americans, but to Western civilization and the entire world.

But you're also imagining a future, a future that is not just symbolized and represented by trees, but by the linkages, the connections, the deep feelings that are created by enlisting the support of all Americans, not just Greek-Americans, in this very important effort.

You're also making clear that in this new century that we're about to enter, our environment is critical. It is after all what we live in. It is what the memories that so many of us have of places we love, are made of.

When I think my trip to Olympus or Delphi I think of landscapes. I think of the beauty of the God-made terrain as well as the built terrain that has stood the test of time.

So there is so much richness in what you do here today and I was very honored that Efi (ph) asked me to participate in a very small way in encouraging this project.

This year this tree, and we hope 1.5 million others, will be planted. That is a very tangible symbol of the friendship between our countries and our people.

It is a friendship that just like a tree, needs to be nurtured, and watered and taken care of but like a tree can grow strong and stand the test of time if proper attention is paid.

I look forward to returning to Greece not only in the future to see my tree, but on many different occasions, and to see also the extraordinary progress that is occurring here in Greece, continue and to see for myself the deepening the ties and friendship between our countries and our peoples.

This Greek-American friendship like this tree, will grow and blossom in the century to come and represent our very strong belief that roots and wings -- the past, the present and the future -- are not just something that passes us by, but what we create and what gifts we give to our children, as we pass on our traditions and our values.

So, I came this morning to thank Efi (ph) and to thank all of you for in a very tangible way making a wonderful gift for the 21st century.

Thank you very much.

(APPLAUSE)

END

“CBS Evening News,” CNN, 11/23/1999

DAN RATHER, anchor:

Hillary Clinton says she's in--just not quite yet officially. She said so today, after supporters told her she needed to fight back and stop talk that in the end, she wouldn't run for the US Senate seat from New York. Republicans supporting Mayor Rudolph Giuliani, and some Democrats, were thumping her with words such as 'ineffective' and 'blunder-prone,' especially after her trip to the Middle East. The first lady chose a friendly forum of teachers in New York today to try to blunt the critics and questions.

Mrs. HILLARY RODHAM CLINTON: The answer is, yes, I intend to run.

RATHER: A carefully crafted answer to a carefully scripted question. Almost officially announcing, but still not quite.

Mrs. CLINTON: I should add that--that I will make a formal announcement after the first of the year.

RATHER: It was the least she could on her first New York visit since her Middle East trip. While Mrs. Clinton was away playing the role of first lady, a whispering campaign by Republicans and worries among New York Democrats centered on whether she was failing as a candidate.

Ms. RONNIE ELDRIDGE (Democrat, New York City Council Member): ...felt that she has the knowledge of Rudy Giuliani that she should have in order to be able to oppose him. He's an aggressive, hard-hitting candidate. And she so far has not been aggressive, hard-hitting or positive.

Mr. CHARLES COOK (Editor, The Cook Report): They've had so many misfa--mishaps the last few weeks that there was so much doubt out there, she had to move, and she had to move very decisively. She didn't have any choice.

RATHER: The worst trouble? Mrs. Clinton sat silent as the wife of Palestinian leader Yasir Arafat unloaded a verbal attack on Israel.

Mrs. CLINTON: I was there on an official trip representing the president and our government. And I thought that was my primary obligation.

RATHER: Only after criticism did Mrs. Clinton respond. It took just hours for one Jewish group to get out this political commercial.

(Excerpt from commercial)

RATHER: Democrats see this as a clear case of a well-orchestrated bit of negative campaigning by Giuliani's forces.

Mr. HANK SHEINKOPF (Democratic Consultant): The timing is too good. The attack is too smart. It's just too impossible to believe that there wasn't some kind of collusion.

RATHER: Mrs. Clinton trails in the polls with unusually few voters saying they're still undecided, which is why her supporters are urging her to move to New York immediately, stop trying to be so much first lady and be more of a fighting candidate.

Lost in much of the coverage today is that Mrs. Clinton hammered Mayor Giuliani hard over the conditions of New York City schools and that, as she sees it, they've gotten so much worse under his leadership. Thus, she signaled today that improving schools is her major campaign theme.

By the way, the most conservative estimates of what the combined cost of this New York Senate race will be are \$ 50 million or more.

"CNN Live Event/Special," CNN, 11/23/1999

(JOINED IN PROGRESS)

HILLARY **CLINTON**, FIRST LADY OF THE UNITED STATES: ... that people talk to me about and the issues that are on people's minds, and they're the ones that I've worked on for nearly 30 years now. And I just became more and more convinced that this is a campaign that needs to be made; that the issues at stake are important ones, and that I have a lot that I want to say about it. And so I'm looking forward with great anticipation to it.

QUESTION: Mrs. Clinton, isn't it going to be very difficult? Haven't the last few weeks shown, particularly your trip to the Middle East, that it's going to be very difficult to juggle these balls? How are you going to divide being first lady with being a candidate?

CLINTON: Well, you know, I had always intended to scale back my duties as first lady, and that is what I'm doing. And I will be more and more focused on the campaign and becoming a candidate, and that's what I intend to do in the next months so that I'll be able to get out and see as many people as possible and meet with them, and I'm looking forward to it.

QUESTION: (OFF-MIKE)

CLINTON: Well, I have tried not to take on any new responsibilities after the first of the year. I've tried to set my schedule in such a way so that I would be free to campaign as vigorously as possible, which I intend to do.

Yes?

QUESTION: (OFF-MIKE)

CLINTON: Well, I'm going to be moving into my house as soon as the Secret Service tells me that it's ready and available to moved into. Obviously I will still be in Washington from time to time. I have to be. There are many things that I will still have to attend to, but I'll be living in Westchester and I'll be traveling around the state and campaigning.

Yes?

QUESTION: (OFF-MIKE) **CLINTON:** Well, I know there are people who have said that, and there are people who said if they'd been in the position I found myself in they would have created an international incident of some kind.

But you know, I was there on an official trip representing the president and our government. I went there to further the peace process and to demonstrate our strong commitment to Israel and Israel's security and future. And I thought that was my primary obligation. And I was gratified when Prime Minister Barak said over the weekend that my trip to Israel had been successful and had furthered the peace process.

QUESTION: (OFF-MIKE)

CLINTON: Well, I'm going to look forward to the campaign and to continuing to have the kind of support that I've been able to obtain from people like Senators Moynihan and Schumer, and the congressmen and many local officials. And that is going to, you know, motivate me to try to make sure that people know where I stand and what I believe in, and eventually will support me.

(CROSSTALK)

QUESTION: Did what happened in Israel have anything to do with the timing of your announcement today?

CLINTON: You know, I don't believe so. I believe that this is -- it's time for me to answer a direct question that Randy posed to me, and I did so because I believe that this campaign is about the issues that people talk to me about, and that I think are of great concern to the voters that I have met over the last several months. And you know, it is a year out, and I think that there's going to be a lot of time between now and then. But it's time to get moving and get started.

(CROSSTALK)

QUESTION: Up to now, you have been having difficulty pronouncing Rudy Giuliani's name.

(LAUGHTER)

QUESTION: Is your concern in not only in New York state and New York city is under -- the -- what he has done to the poor. Are you going to be talking about how good or bad he is?

CLINTON: I think as this campaign moves forward, we're going to be talking about a lot of issues in New York City. Because I'm concerned about a lot of what is happening in the city. I think everyone of us was just heart sick at what happened to the young woman who was hit with a brick, standing at the street corner in the middle of the afternoon. And obviously, we

have to be alert to doing everything we possibly can to prevent, you know, violent crime and to prevent people who are mentally ill from committing violent crimes.

That's a real problem and it deserves real solutions, and I will have more to say about that as we go forward.

QUESTION: (OFF-MIKE)

CLINTON: Well, we'll certainly have plenty of time for that.

QUESTION: Could you correct any (OFF-MIKE) how difficult is Mayor Giuliani? I'm talking about how much he attacked you after (OFF-MIKE). (OFF-MIKE) any lessons about how difficult this campaign is going to be (OFF-MIKE)?

CLINTON: This is going to be a very hard-fought campaign. I have absolutely no illusions about it, but it doesn't concern me. I think a hard-fought campaign about the issues that concern the people of New York, is what the people of New York deserve to have. So there are going to be a lot of contrast between both of us. And I'm going to be drawing those contrasts out. I'm going to be responding whenever I can.

But ultimately, this election is not going to be about me or Rudy Giuliani. It's going to be about the issues that concern the people of New York, and particularly, the children and families of New York. And what I'm hoping is that we can have a really good debate about those issues and what each of us would do if we were privileged to represent this state in the Senate.

Yes?

QUESTION: (OFF-MIKE)

CLINTON: Well, I'm not going to go back. I'm going forward.

QUESTION: (OFF-MIKE)

CLINTON: No, because I will make a formal announcement that lays out, you know, my positions and what I'm going to be talking about in the campaign after the first of the year.

But when Randy (ph) asked me her question, you know, I felt compelled -- you know, I felt like her pupil; there was the teacher asking me the question.

QUESTION: (OFF-MIKE)

CLINTON: Well, she, you know, she sort of mentioned to me as we were walking in that, you know, there are people who are asking about whether you're going to do this. And you know, I may want to know and so, sure enough, in front of all of you and everybody else in the room, she asked me.

Just a minute. Yes?

QUESTION: Is there any ambiguity now that you are or are not running? Are you putting that totally to rest?

CLINTON: I will have a formal announcement after the first of the year that will lay out the campaign's position and what I intend to talk about.

Yes?

(CROSSTALK)

QUESTION: (OFF-MIKE)

CLINTON: Yes. Yes, it is.

QUESTION: (OFF-MIKE) at this point?

CLINTON: Well, I've said what I'm going to say on it.

Yes?

QUESTION: Looking forward, do you think that there is a vast right-wing conspiracy...

(LAUGHTER)

CLINTON: You know...

QUESTION: (OFF-MIKE)

CLINTON: Oh, perish the thought. I think there's going to be an interesting amount of activity around this campaign that will bear watching, which I expect all of you to do.

Yes?

QUESTION: Are you worried about your relationship with Jews in the city and the state in light of what's been happening over the past couple of weeks?

CLINTON: You know, I am a strongly committed advocate for a safe, secure, peaceful Israel.

I have been for 20 years, ever since I was fortunate enough to go with my husband to Israel and see for myself what had been done there, what the obstacles and challenges that the people of Israel face. I have worked in every way that I knew how to further the interests of Israel.

And I also have a lot of concern about the issues here at home that many people of every ethnic background also share concerns about.

So I believe that this campaign and, as people get to hear me and meet me and don't see me through a filter of somebody else's perspective, will settle a lot of these issues that have been raised in the last couple of days.

Yes?

QUESTION: (OFF-MIKE) advantage over you? Or will that further politicize (OFF-MIKE)?

CLINTON: I don't know. We're going to have to see how that develops.

QUESTION: Mrs. Clinton?

CLINTON: Yes?

QUESTION: How will you distinguish between official expenditures and campaign expenditures. You have some advantages. You've got advance people and security people, and you've got the planes and the cars and all the rest. How will you charge that against your campaign? Or will you not use some of the security to which you are entitled in order to level the playing field and ensure the taxpayer they're not paying for this?

CLINTON: You know, Libby (ph), I follow the rules that were laid down by the Congress that are in effect for anyone in any position that is in the White House. And that's what I intend to do. Whatever the law is, I am going to follow the law.

QUESTION: (OFF-MIKE)

CLINTON: I am, aren't I?

(LAUGHTER)

You know, I have -- I have -- I have...

QUESTION: (OFF-MIKE)

CLINTON: Well, I think that I will do whatever is required, and part of what I have to do is listen to the Secret Service and follow their direction. It would be irresponsible for me to do otherwise.

So, that's what I'm going to try to do, and I'm going to try as hard as I can to make it clear that I'm not going one inch beyond what is legally required and that, you know, everything else is paid for by my campaign.

Yes?

QUESTION: (OFF-MIKE)

CLINTON: There's a little bit of that in this campaign, a little virtual reality.

QUESTION: (OFF-MIKE)

CLINTON: There will be a lot of time for that. And I will be, you know, developing positions and setting forth the contrasts, which any election is about. I mean, ultimately elections come down to choices. And I will be talking a lot about what I believe I could do were I fortunate enough to be in the Senate for the state of New York and the issues that I would work on and the kinds of concerns that I would take with me to the Senate.

So, we do have a year to go, and there will be a lot of time to develop those contrasts.

QUESTION: (OFF-MIKE)

CLINTON: You know, I have always taken a very strong position on behalf of teachers, and that includes ensuring that teachers are given the respect and the compensation that they deserve to have to do one of the most important jobs in society. And in different settings there are different kinds of steps that need to be taken in order to ensure that. And I will intend to speak out about that.

LOU WATERS, CNN ANCHOR: **Hillary Rodham Clinton** in New York today for a teachers conference, making the announcement. She says it was time for me to answer the direct question. The question to her, less than an hour ago, was, is it yes or is it no? The answer was: Yes, I will announce formally that I intend to run for the Senate seat being vacated by Daniel Patrick Moynihan in New York after the first of the year.

She says she intends to scale back her duties as first lady. She will campaign vigorously, will be living in Westchester, traveling the state and campaigning.

CNN's senior political analyst has been with us throughout the early stages here of this announcement. Bill Schneider is in Washington, and Bill, why was this the time to say yes, I will make a formal announcement?

WILLIAM SCHNEIDER, CNN SENIOR POLITICAL ANALYST: Because she was under a tremendous amount of pressure. Her ratings had been slipping. She's now running seven points behind Rudy Giuliani.

After the flap over the incident in the Middle East with Yasser Arafat's wife, a lot of people were wondering is she ready for prime time. And some Democrats, including Democratic office holders, were standing up and saying she should not run because it doesn't look like she's really going to do it, it doesn't look like she's ready for this race.

So there was a lot of pressure on her to either run or not run, but tell us soon.

WATERS: The question was asked of her, how do you intend to balance the campaign for a Senate seat with the duties of a first lady? She had an answer ready for that one.

SCHNEIDER: Yes, she did. She said I'll be in Washington from time to time, were her words, which means that her duties as a Senate candidate are going to come first.

WATERS: All right, Bill Schneider in Washington, on **Hillary Rodham Clinton's** announcement that she will announce formally that she intends to run for that Senate seat in New York

PRESS CONFERENCE WITH FIRST LADY HILLARY RODHAM CLINTON FOLLOWING HER SPEECH TO THE AMERICAN FEDERATION OF TEACHERS, 11/23/1999

TOPIC: HER PLAN TO RUN FOR THE SENATE
NEW YORK, NEW YORK
SECTION: WHITE HOUSE BRIEFING

Q (In progress due to feed) -- weeks with your campaign motivated you do to what you did today?

MRS. **CLINTON:** Well, you know, I have been traveling around the state now, and I have just been so encouraged and excited by what people talk to me about and the issues that are on people's minds, and they're the ones that I've worked on for nearly 30 years now. And I just

became more and more convinced that this is a campaign that needs to be made, that the issues at stake are important ones, and that I have a lot that I want to say about it. And so I'm looking forward with great anticipation to it.

Q Mrs. Clinton, isn't it going to be very difficult? Haven't the last few weeks, particularly your trip to the Middle East, shown

it's going to be very difficult to juggle these roles? How would you divide being first lady with being a candidate?

MRS. **CLINTON:** Well, you know, I had always intended to scale back my duties as first lady, and that is what I'm doing. And I will be more and more focused on the campaign and becoming a candidate. And that's what I intend to do in the next months, so that I'll be able to get out and see as many people as possible and meet with them. And I'm looking forward to it.

Q But in the past -- (off mike).

MRS. **CLINTON:** Well, I have tried not to take on any new responsibilities. After the first of the year, I've tried to set my schedule in such a way so that I would be free to campaign as vigorously as possible, which I intend to do.

(Cross talk.) Yes?

Q (Off mike.)

MRS. **CLINTON:** Well, I'm going to be moving into my house as soon as the Secret Service tells me that it's ready and available to be moved into. Obviously, I will still be in Washington from time to time. I have to be. There are many things that I will still have to attend to. But I'll be living in Westchester, and I'll be traveling around the state and campaigning.

Yes?

Q (Off mike.)

MRS. **CLINTON:** Well, I know there are people who have said that, and there are people who said that if they'd been in the position I found myself in, they would have created an international incident of some kind.

But, you know, I was there on an official trip, representing the president and our government. I went there to further the peace process and to demonstrate our strong commitment to Israel and Israel's security and future, and I thought that was my primary obligation, and I was gratified when Prime Minister Barak said over the weekend that my trip to Israel had been successful and had furthered the peace process.

Q (Off mike.)

MRS. **CLINTON:** Well, I'm going to look forward to the campaign and to continuing to have the kind of support that I've been able to obtain from people like Senators Moynihan and Schumer and the congressmen and many local officials. And that is going to, you know,

motivate me to try to make sure that people know where I stand and what I believe in and eventually will support me.

(Cross talk.)

Q Did what happened in Israel have anything to do with the timing of your announcement today?

MRS. **CLINTON:** You know, I don't believe so. I believe that this is -- it's time for me to answer a direct question that Randy posed to me, and I did so because I believe that this campaign is about the issues that people talk to me about and that I think are of great concern to the voters that I have met over the last several months. And, you know, it is a year out and I think that there's going to be a lot of time between now and then, but it's time to get moving and get started.

Rafie (sp)?

(Cross talk.)

MRS. **CLINTON:** Yeah.

Q Up till now, you have been having difficulty pronouncing Rudy Giuliani's name.

MRS. **CLINTON:** (Laughs.)

Q Are you going through this issues concerning not only -- (inaudible) -- the mayor in New York City is -- (inaudible), the --

what he have done to you before. Are you going to be talking about how good or bad he is -- (off mike)?

MRS. **CLINTON:** I think as this campaign moves forward, Rafie (sp), we're going to be talking about a lot of issues in New York City, because I'm concerned about a lot of what is happening in the city.

I think every one of us was just heartsick at what happened to the young woman who was hit with the brick standing on the street corner in the middle of the afternoon. And obviously we have to be alert to doing everything we possibly can to prevent, you know, violent crime and to prevent people who are mentally ill from committing violent crimes.

That's a real problem, and it deserves real solutions, and I will have more to say about that as we go forward.

Q (Off mike.)

MRS. **CLINTON:** Well, we'll certainly have plenty of time for that.

Yes, Marsha.

Q (Off mike) -- did you learn any lesson from how difficult Mayor Giuliani, how tough -- (inaudible) -- how much he attacked you after -- (inaudible.) Did it teach you any lessons about how difficult this campaign is going to be -- (inaudible.)

MRS. **CLINTON:** This is going to be a very hard-fought campaign. I have absolutely no illusions about it. But it doesn't concern me. I think a hard-fought campaign about the issues that concern the people of New York is what the people of New York deserve to have. So there are going to be a lot of contrasts between both of us, and I'm going to be drawing those contrasts out. I'm going to be responding whenever I can.

But ultimately this election is not going to be about me or Rudy Giuliani. It's going to be about the issues that concern the people of New York, and particularly the children and families of New York. And what I'm hoping is that we can have a really good debate about those issues and what each of us would do if we were privileged to represent this state in the Senate.

Yes.

Q (Off mike.)

MRS. **CLINTON:** Well, I'm not going to go back. I'm going forward.

Yeah, Tish.

Q (Off mike) -- that, you know, what he told you about the -- (inaudible) -- was really long, it's artificial, it's not good for us. (Inaudible) -- January and February is (plenty time enough ?), and so on. Now, you've just dropped (a sack ?) a little bit on that. Do you worry a little that your opponent is having -- (inaudible.)

MRS. **CLINTON:** No, because I will make a formal announcement that lays out, you know, my positions and what I'm going to be talking about in the campaign after the first of the year.

But when Randy (sp) asked me her question, you know, I felt compelled. You know, I felt like her pupil. There was the teacher asking me the question. (Cross talk.) Well, she -- you know, she sort of mentioned to me, as we were walking in, that: "You know, there are people who are asking about whether you are going to do this. And, you know, I may want to know." And so sure enough, in front of all of you and everybody else in the world -- (laughs) -- she asked me. (Laughs.)

Just a minute. Just a minute.

Yes?

Q Any ambiguity now that you are, or are not, running? Are you putting that totally to rest?

MRS. **CLINTON:** I will have a formal announcement after the first of the year that will lay out the campaign's positions and what I intend to talk about.

Yes?

Q Is there anything that would make you not run at this point?

Q Is that -- (inaudible) -- up or down?

MRS. **CLINTON:** Yes. Yes, it is.

Q Is there any -- (inaudible) -- to not run at this point?

MRS. **CLINTON:** Well -- (pauses, reflects) -- I have said what I am going to say on it.

Yes?

Q Looking forward, do you think that there is a "vast right- wing conspiracy" that might --

MRS. **CLINTON:** (Laughs.) (Laughter.) You know -- (cross talk, laughter) -- oh, perish the thought. I think there is going to be an interesting amount of activity around this campaign that will bear watching, which I expect all of you to do.

Yes?

Q Are you worried about your relationship with the Jews in the city and the state in light of what's been happening over the past four weeks?

MRS. **CLINTON:** You know, I am a strongly committed advocate for a safe, secure, peaceful Israel. I have been for 20 years, ever since I was fortunate enough to go with my husband to Israel and see for myself what had been done there, what the obstacles and challenges that the people of Israel face. I have worked in every way that I knew how to further the interests of Israel. And I also have a lot of concern about issues here at home that many people of every ethnic background also share concerns about.

So I believe that this campaign -- and as people get to hear me and meet me, and don't see me through a filter of somebody else's perspective -- will solve a lot of these issues that have been raised in the last couple of days.

Yes?

Q (Inaudible) -- the fact you can have -- will he hold an advantage over you? Or will that further politicize his actions as mayor, as some people have charged he did with the homeless issue?

MRS. **CLINTON:** I don't know. We are going to have to see how that develops.

Q Mrs. Clinton?

MRS. **CLINTON:** Yes?

Q How will you distinguish between official expenditures and campaign expenditures? You have some advantages. You have the advance people and security people and the planes, the cars and all the rest.

How will you charge that against your campaign? Or will you not use some of the security to which you are entitled, in order to level the playing field and assure people the taxpayers are not paying for this?

MRS. **CLINTON:** You know, Andrea, I follow the rules that were laid down by the Congress that are in effect for anyone in any position that is in the White House, and that's what I intend to do. Whatever the law is, I am going to follow the law.

Q (Off mike.)

MRS. **CLINTON:** I am, aren't I. (Laughs.) You know, I have -- I have --

Q (Off mike.)

MRS. **CLINTON:** Well, I think that I will do whatever is required, and part of what I have to do is listen to the Secret Service and follow their direction. It would be irresponsible for me to do otherwise. So that's what I'm going to try to do, and I'm going to try as hard as I can to make it clear that I'm not going one inch beyond what is legally required, and that, you know, everything else is paid for by my campaign.

Q Mrs. Clinton?

MRS. **CLINTON:** Yes?

Q (Off mike.)

MRS. **CLINTON:** There's a little bit of that in this campaign, a little virtual reality.

Q (Off mike) -- contrasts and differences that you are likely to be -- (off mike).

MRS. **CLINTON:** There will be a lot of time for that. And I will be, you know, developing positions and setting forth the contrasts, which any election is about. I mean, ultimately, elections come down to choices. And I will be talking a lot about what I believe I could do were I fortunate enough to be in the Senate for the state of New York and the issues that I would work on and the kinds of concerns that I would take with me to the Senate. So we do have a year to go, and there will be a lot of time to develop those contrasts.

Q (Off mike) -- with the teachers banner behind you. When you were in Arkansas, you supported competency testing for teachers. Do you support that here? And will you tell that to Randy -- (off mike)?

MRS. **CLINTON:** You know, I have always taken a very strong position on behalf of teachers, and that includes insuring that teachers are given the respect and the compensation that they deserve to have, to do one of the most important jobs in society. And in different settings there are different kinds of steps that need to be taken in order to ensure that. And I will intend to speak out about that.

Q You still support competency testing for teachers, though, as you did in Arkansas?

MRS. **CLINTON:** Well, that was a very different situation. And I will be talking more about my education policies in the future.

(Cross talk.) Yes?

Q Mrs. Clinton, just to clarify, what did you say yesterday -- (off mike)?

MRS. **CLINTON:** What -- I'm sorry?

Q What did you say yesterday? What is the question you believe you answered?

MRS. **CLINTON:** I think she asked me if --

Q (Off mike) --

MRS. **CLINTON:** -- yes or no. (Laughter.) I think that's what it came down to, and I said yes. (Laughter.) So we're engaged. (Laughter.)

(Laughs.)

Q Mrs. Clinton, most people believe this is going to be one of the most exciting races in the history of the state, politically. And most people also believe it is in fact because of your personality and the personality of your presumed opponent. Do you really believe personalities are not going to be involved here?

MRS. **CLINTON:** Well, personalities are going to be involved because, you know, we have people with personalities running. But at the end of the day -- and what you will hear me say over and over again is that I do not believe, ultimately, this election will be

about either me or my opponent. Instead, it should be about the people of this state and what they want in a senator, and what those issues are that they think really matter to themselves and their children. And I believe that the issues that really matter are the issues that I've worked on and have a lot of ideas about for a very long time.

So at some point, personality is fine. But ultimately you have to ask yourself, "How is this person going to vote?"

You know, I was very relieved when we finally got a budget after the president had to veto the Republican budget, which I thought was so irresponsible and which was supported by the Republicans in Congress and the mayor and a lot of other Republicans, which would have been the beginning of a U-turn back to where we came from in the 1980s, of fiscal irresponsibility, of the failure to invest in our children and our future, in taking care of the needs that people have, in meeting challenges, like Social Security and Medicare. So I was very relieved.

And that, to me, has little to do with personality. It has to do with conviction, with what you believe in, with how you see this country and this state, and the vision you have for the kind of future we can build together. So I think all of it goes into a mix.

But at the end of the day, I will be asking the voters to vote for themselves, not for either one of us. And I think if people vote for themselves, then it will turn out fine.

(Cross talk.)

Q What do you think about the fact that most New Yorkers, 53 percent, don't want you to run for the Senate? What do you think about that, and how do you plan to win them over?

MRS. **CLINTON:** I don't pay attention to those polls.

(Cross talk.)

Q Mrs. Clinton --

MRS. **CLINTON:** There's somebody way back there who hasn't been called on.

Q The reaction of President Clinton and your daughter to your announcement today?

MRS. **CLINTON:** Well, they're in Kosovo, and they don't know about this. (Laughter.)

But they're getting home tonight, and I don't think my husband or my daughter will be surprised.

Q Mrs. Clinton --

Q What do you make of the fact --

Q -- question. When you will announce a campaign manager? And B, will your husband campaign for you, and do you want him to campaign for you in New York?

MRS. **CLINTON:** Well, the answer to the first question is in the next couple of weeks we will announce a campaign manager, but again, I think that that's something that most people aren't very concerned about. They don't vote for a candidate based on who the campaign manager is. And would I want my husband to campaign for me? Absolutely. I think he has been a great president for New York and for the country and the progress that we've made in the last seven years is progress that I think has been good for the people of New York, and he would say -- and I agree with this, and I'll be talking about it in the campaign -- we have unfinished business. So I want to build on the progress.

I want not only to do what I think will make a difference positively for people in this state, but I want to be able to prevent the u-turn that the Republicans are always trying to make, you know -- to give up on the investments, to try to undercut education or health care or the environment; turn their backs on solving the Social Security and Medicare challenges. So I think that he has a lot to say about that. He has a proven track record that's been good for this state, so I would look forward to that, you know, later in the campaign at some point.

Q Do you want Al Gore to campaign for you?

MRS. **CLINTON:** Absolutely. Absolutely.

Q How do you reconcile your position on campaign finance reform with the ads running in western and northern New York right now?

MRS. **CLINTON:** Well, you know, I believe in campaign finance reform and I intend to fight very hard for it. You know, the Republicans started running soft money ads against me last summer.

And they ran, actually, two sets of ads -- one from the Republican National Committee and one from a so-called independent committee and then they started another ad against me using soft money, just yesterday. So, you know, we've seen a lot of soft money ads that they started and that they are continuing.

The Democratic Party here in the state of New York cares a lot about these issues, and when the Giuliani campaign started running ads in upstate New York, the Democratic party believed that it was important for them to speak out on behalf of issues that I support, on behalf of issues that all Democrats support. And I think that, you know, that's something that is within the law as it currently is written, and I believe we ought to change the law, but

certainly they were doing it first and with great vigor and none of us want to see the issues get a one-sided perspective.

So that was the decision they made.

Q (Off mike.)

MRS. **CLINTON:** Well, look, there's a lot of things you don't believe in that you wish weren't the case. Like, I don't believe that we should have the kind of television advertising driving campaigns in the first place. I don't think it's good for our democracy. Does that mean I'm not going to advertise on television? Well, that would not be a wise decision to make. I believe we ought to have, you know, more public financing of campaigns. We don't have it yet. Does that mean I shouldn't raise money?

You know, these are -- these are difficult issue, but from my perspective, we're going to need to be as competitive as possible, because the other side has always -- and will continue into the future -- raised a lot of more money than the Democrats will. And in order to be competitive, the Democratic Party in New York chose to run ads in order to get Democratic issues out. And I know it's legal and appropriate, and that was their decision.

Q Mrs. Clinton, what do you make of this -- what do you make of the fact that no woman has ever won statewide office in New York on her own?

MRS. **CLINTON:** That is a very interesting question. I didn't know that until I started going around the state and meeting with people. And actually someone told me that New York has the second- worst record in the entire country in electing women to statewide office. Now I was amazed by that, with all of the extraordinary women in New York and the great contributions that they've made.

But I think that, you know, that's history. And I'm going to do everything I can to convince a majority of New Yorkers that they should join California and Illinois and Texas and Florida and Maine and Washington and a lot of other states in sending a woman to the Senate.

Q Do you have any thoughts about why that might be?

Q Mrs. Clinton, could you clarify, since it is an issue that is so important to voters in New York, what is your position on the future of a Palestinian state?

MRS. **CLINTON:** That is an issue that is a final-status issue that is to be determined in negotiations between the parties.

Q How long, though, do you think that you can, so to speak, dodge that question by using that answer?

MRS. **CLINTON:** Well, because it is the appropriate answer right now. You know, Prime Minister Barak was here over the weekend, and he is engaged in extremely difficult and delicate negotiations. I have sat and talked with him, and I have watched how hard he is working. And the issues that the parties are, you know, working on are ones that need to be negotiated between them. And, you know, I believe that that's what we should support. The United States has to be supportive of the peace process and has to provide the support that

Israel needs to make the decisions that are in Israel's long-term interests insofar as security and peace go.

And I think all of us should be supportive of that process.

Now, I know that there were some here in New York who wished that I had, you know, created some sort of international incident when I was abroad. But that would not be useful for the peace process or for the prime minister's position. And I greatly appreciated the prime minister saying that my visit to Israel had been a success and that what I had done there had furthered the peace process, because at the end of the day, I believe, along with Prime Minister Barak, along with Prime Minister Rabin, along with the leaders and the people of Israel, that a peace that can be enforced is the strategic option that is in the best interests for Israel's security. And that's what we ought to be looking to support.

Q Mrs. Clinton, you were asked a similar question about the status of Jerusalem recently. And you also declined to answer it because you -- on the same grounds -- that it would damage the peace process. But in July, you didn't shy away from writing a letter to the Orthodox Union on your preferences and such.

MRS. **CLINTON:** Right.

Q If it wasn't -- if it's not appropriate now to have a position on that, why was it appropriate then?

MRS. **CLINTON:** Well, I have the same position. You know, my position is that Jerusalem, an undivided Jerusalem, is and should be the capital of Israel, but that is also to be negotiated between the parties. So I have personal opinions that -- I hold and that I believe are in the interests of Israel and Israel's security and the peace process.

But you know, when the parties met recently in Oslo, one of the agreements that came out of that meeting was for people not to engage in rhetoric or make inflammatory statements, or look for ways to unsettle the negotiations that are going on. And I believe that, when I was asked that question in -- wherever we were -- Petra, I think, as an official representative of the United States government at that point, that I said what needed to be said; that this is something that, ultimately, will be decided by the parties. I have my personal opinion, and I have stated that.

(Cross talk.)

MRS. **CLINTON:** (Laughs.)

Q Mrs. Clinton, when you were in the West Bank with Mrs. Arafat -- can you clarify this for us? When she was making her inflammatory statement, was the translation such that you understood what she meant, and you were the first lady so you kept your cool and were diplomatic -- (audio break).

MRS. **CLINTON:** (Resumes in progress following audio break) -- and I issued a statement, later, saying that they were inflammatory and baseless. And then I later saw even more inflammatory interpretations. And I just would repeat that they were false, baseless and inflammatory, and it should not have happened.

Q Why did you kiss her afterwards?

MRS. **CLINTON:** You know, there is -- there are customs. Again, I'm not going to get into the business of, especially in my official capacity, being someone who tries to score political points at the expense of the job I was there to do and the position I was in. And so I did what I believed was the appropriate thing to do and then left. And then when the reports started coming out about a much -- much harsher and more offensive, outrageous translation being made available, you know, I was very concerned about that and issued the statement, and then, you know, talked with the press that was traveling with me.

Q Mrs. Clinton, were you at all surprised at the level of criticism that rose up about your handling of the Arafat moment, the criticism that arose here? Were you surprised by that?

MRS. **CLINTON:** Well, I think there were people who believed that I should have caused an international incident over whatever it is she said. I just respectfully disagree with that. And I knew that there were people who thought that I could have scored political points for myself in New York by, you know, doing something that would cause such an incident. I did not think that was the right thing to do. And so I chose to fulfill my obligations and to behave in what I saw as an appropriate manner for the role that I was in there at that time. And, you know, I know that there are people who disagree with that. And I would just say to them that, you know, I had to make a call based on why I was there and how I was proceeding, and I did. That doesn't take anything away from my commitment to standing very strongly on behalf of what are the best interests of Israel for long- term peace and security.

Q Is Rudy Giuliani one of those people?

Q In 1980 --

MRS. **CLINTON:** Yes?

Q In 1980 your husband got -- in 1996 your husband got 80 percent of the Jewish vote. A poll last week showed you with 46 percent. That's 13 points less than Bob Abrams lost with in 1992. Why are you having a problem with the Jewish electorate?

MRS. **CLINTON:** Well, I'm going to be working very hard in the months ahead to meet with as many people as I can and let them, you

know, see me personally and not have me represented to them by somebody else. And then people will be able to make an informed decision. And I'm looking forward to that.

Thank you very much.

END

"Special Report with Brit Hume," FOX, 11/23/1999

SNOW: **Hillary Rodham Clinton** has announced that she intends to run for the New York Senate seat and will make an official announcement some time in January. Our FOX NEWS correspondent Molly Falconer talked to Mrs. Clinton one on one about her announcement.

(BEGIN VIDEOTAPE)

FALCONER: Mrs. Clinton, thank you for being here. Since you said today you intend to run, are you leaving some sort of loophole there?

CLINTON: No.

(LAUGHTER)

CLINTON: No. I am going to run, and I'm looking forward to it. I'm very excited about what I think the issues that are on the minds of New Yorkers are and what I can contribute to a campaign about those issues. And I'll have a formal announcement after the first of the year, but I'm running.

FALCONER: Some say you and Rudy Giuliani are very colorful characters, and they also say this could be an expensive, nasty race, the nastiest ever. What do you think about that?

CLINTON: Well, I hope not. I'm really hoping that this campaign's going to be about issues because that's what really counts. You know, I care deeply about whether or not we have better schools for every child and whether we have affordable, quality health care for every family in New York, and whether this economy keeps going and spreads its prosperity to everybody in every corner of the state.

And those are the kinds of issues that people talk to me about, and those are the issues that I'm going to be talking about. I hope it's going to be an issue-oriented campaign because come next November, when people go to vote, I hope they're going to be voting for themselves and their futures on these issues.

FALCONER: Now, you said you're going to ratchet back your activities as first lady at the beginning of the year, but you are first lady.

CLINTON: Right.

FALCONER: So how are you going to do that?

CLINTON: Well, I've tried to schedule myself so that I don't take on any new big responsibilities in the year 2000 because this campaign and New York and the issues that are important are going to be my focus. But there will be some things I will have to continue to do, obviously. But I'm scaling back my duties, and I'm really moving full-fledged into a campaign come the year 2000.

FALCONER: So when a voter goes to the polls and looks down at the ballot, there's going to be your name under "Democrat"?

CLINTON: Yes. I hope that's right. I hope that's right because I think that -- you know, I'm doing this for a lot of reasons. I'm doing it because I want to see the progress that we've had in our country continue. And I think the last, you know, seven years have been good for New York, and yet we have a lot that we can do to make it even better.

And I want to bring people together to work hand in hand about how we solve our problems. We've got some big challenges facing us in this next century. And in addition to the work that I think we can do positively, we don't want to make a U-turn and go back to where we came from with, you know, big deficits and no investments in our kids and not trying to solve our big problems, like Social Security and Medicare. Those issues are on the minds of the people I talk to around the state, and that's what I'm going to be talking about.

FALCONER: Just quickly -- people use to say "carpetbagger." Now they don't seem to be saying that as much. Why?

CLINTON: Well, you know, I'm now a resident of New York. I have a house that I'm very anxious to move into, once all the security is taken care of. And I intend to be as fully involved in New York as I possibly can, and I'm looking forward to it.

FALCONER: OK. Thank you very much for joining us.

CLINTON: Thank you.

(END VIDEOTAPE)

END

STATEMENTS BY PRESIDENT CLINTON AND FIRST LADY HILLARY RODHAM CLINTON AT THE OPENING OF AMERICA'S MILLENNIUM CELEBRATION, 12/31/1999

LOCATION: CONSTITUTION AVENUE, WASHINGTON, D.C.

TIME: 11:50 A.M. EST

(Applause, cheers.)

PRESIDENT CLINTON: Thank you. Thank you very much. Thank you. Thank you. Thank you. Good morning. Happy New Year!

Thank you, Senator Daschle, to other members of the Congress who are here.

Thank you, Mayor Williams, for your kind comments to Hillary and to me, and your outstanding leadership in this city.

Thank you, Robert Pinsky, for being here today, and for opening the ears and eyes and hearts of so many young children to the wonders of poetry.

Thank you, Dean Baxter.

I want to thank the children's choir and the military band -- they were wonderful today -- (applause) -- and the Singing Sergeants, who have left.

I want to thank Ellen Lovell (sp) and the members of our Millennial Council, and Terry McAuliffe and all those who made it possible for us to have all these wonderful events today. (Applause.)

I also want to thank the Lord for this wonderful weather -- (laughter, applause) -- so we all feel good being out here.

The New Millennium Choir sang "Rising Like the Sun." Their vitality and their voices are living proof that the light may be fading on the 20th century, but the sun is still rising on America.

Even though this is an opening ceremony, what we celebrate did not begin today, and it won't end tomorrow.

Two years ago Hillary and I created the White House Millennium Council to bring Americans together, in her words, "to honor our past and imagine our future." Since then, she has hosted Millennium Evenings at the White House with some of our nation's most gifted scholars and artists, and people all over the world have participated on the Internet. She has crisscrossed America to save our historical treasures, from Harriet Tubman's home to Thomas Edison's factory, to Native American pueblos.

This morning we kick off not only a weekend of celebrations, but a whole series of events throughout the coming year that will further mark our new millennium.

This is more than a unique moment for our calendar; it is also a unique moment for our country.

Our economy is strong, our social fabric is on the mend. We are moving forward on America's remarkable journey of creating a more unified nation, a more just society, a more perfect union.

There is no better moment to reflect on our hopes and dreams and the gifts we want to leave our children; no better opportunity to open a new chapter of progress and possibility for all people; no better time to join hands and build the one America of our dreams; no better time to be a truly good neighbor to the people of the world who share this smaller and smaller planet of ours.

So as we honor the past, let us truly imagine the future. I hope every single one of you sometime today, and everyone within the sound of my voice, will take just a little time to dream about what you want for your grandchildren and their grandchildren and what you would like the story of the 21st century to be.

Now, it is my privilege to present the person who has done more than anyone else in America to help us appreciate and properly celebrate the dawn of the new millennium. Ladies and gentlemen, the first lady of the United States. (Applause, cheers.)

MRS. CLINTON: Good morning! (Continued applause.) Thank you all for being here this morning on this glorious day, to be part of the millennial celebrations. I, too, wish to thank our poet laureate, Robert Pinsky, and Reverend Baxter for their beautiful, wise and inspiring words. And it has been a delight to hear the voices and music of so many generations -- a

World War II veteran, our current servicemen, and the New Millennium Choir. I look forward to hearing from Washington, D.C. native Denyce Graves, who always sounds magnificent.

I thank Senator Daschle for joining us here today and for his extraordinary remarks, and I also thank the other congressional co- chairs of America's Millennium, Senate Majority Leader Trent Lott, Speaker Dennis Hastert, and Minority Leader Dick Gephardt.

My thanks also go to the Kobler (sp) Family Foundation and the Smithsonian Institution, and Rashid Chadrey (sp) and Camrun Khan (sp) for hosting this opening ceremony. (Applause.)

I also thank Terry McAuliffe and the America's Millennium Leadership Committee, particularly InfoUSA.com., Slimfast Foods Company, and Cisco, who have done so much to make these days possible. (Applause.)

I particularly thank Mayor Williams and the city of Washington for the extraordinary effort they've put into making this celebration one that is accessible and free to all of the residents of the greater D.C. area. And I thank the members of the President's Cabinet who are joining us.

There are many distinguished guests in this vast audience, including some of our team leaders for our explorations in space, which is one of the ways we imagine the future. I know that Donna Shirley is here, who led the team that landed the Rover on Mars, and at least two astronauts, Roger Crouch and Wendy Lawrence. They will all be speaking later today at the National Air and Space Museum, to which you are invited. And I thank the various AmeriCorps volunteer teams who are helping us this weekend. (Applause.)

So to everyone who, under the leadership of Ellen Lovell (sp) and the White House Millennium Council, have made these days and this event possible, we appreciate all of your efforts.

Now just think for a minute of the items, the events, and the ideas of this century that you would put into a time capsule that you think would really represent the United States and the American century -- a transistor, Louie Armstrong's trumpet, a piece of the Berlin Wall. Take any of these items, and it alone could tell a story of the 20th century.

It was, after all, the transistor that launched the information age and enabled man to walk on the moon. It was Satchmo's trumpet that heralded the rise of jazz and of American music all over the world. And it was a broken block of concrete, covered in graffiti, from the Berlin Wall that announced the triumph of democracy over dictatorship. These are just some of the items that will be placed, along with scores of other objects representing the ideas and innovations that shaped the American century into our National Millennium Time Capsule.

Almost three years ago, when the White House Millennium Council began planning a celebration for the National Mall built around our theme, "To Honor the Past and Imagine the Future," we decided that an important way to capture this moment in time would be by filling a national time capsule -- filled not only with the symbols and achievements of the century just past, but with our hopes and dreams for the next.

We invited the thinkers and builders and creators of this century -- all the past recipients of our nation's highest honors in the arts and humanities, in science and technology, in citizenship and leadership -- as well as the thinkers and builders and creators of the future --

the students who are taught by the state Teachers of the Year across America. We asked them all to help us fill this time capsule, and their responses have been overwhelming.

Teachers and students nominated computers, while scientists nominated the transistors that made them possible. Bruce Penniman's (sp) English class in Amherst, Massachusetts, sent a highlighted copy of Ralph Ellison's "The Invisible Man," while novelist Philip Roth recommended works by William Faulkner and Saul Bellow. June Moore's (sp) second grade class in Laramie, Wyoming, selected the sport of baseball, while playwright August Wilson suggested a recording by Bessie Smith.

When it came to hopes for the future, the young people and adults spoke as one: world peace, cures for cancer and AIDS, an end to hunger and racism. I was also impressed by how children were determined to shape the future for themselves. "Helping others is at the very top of my list of careers," wrote a student from Nevada, while another seven-year-old from Idaho wrote, "I wish that all children can have a loving family. I wish someday I will help the world."

In a few minutes, we will invite some of these students and leading citizens to share their nominations for the time capsule.

Now, the prototype is sitting right there. It was created by Pentagram Design, Inc., and the time capsule will be made of three metals -- steel for the industrial age, copper for the information age, and titanium for the age to come.

As you can see, it is molded in the shape of a waving American flag, symbolizing our optimistic country that is always in motion, always moving forward, always pushing back the frontiers of technology and progress, of tolerance and justice.

This prototype will go on display in the National Museum of American History. And at the end of the year, after all of the items have been received and selected, the actual time capsule will be exhibited and sealed at the National Archives, where it will remain until it is opened 100 years from today.

Throughout the weekend, the president and I invite you to visit the capital and to enjoy the various programs at the Smithsonian, from symposia on great Americans of the past and present -- Thomas Jefferson, Elizabeth Cady Stanton, and B.B. King -- to sessions pondering the future of American taste and the future of American democracy. And we invite you to take your children to the story circle at the National Museum of American History. And of course, you are all invited to come to the Lincoln Memorial tonight to join us in a national celebration of America's Millennium.

But by no means will the celebration end at the stroke of midnight tonight. Throughout this millennial year, the White House Millennium Council will lead even more efforts to honor the past and imagine the future. We will continue to recruit more citizens to work together to save America's treasures, whether it's the home of a great American, such as Harriet Tubman, or letters from a soldier in wartime, or a family scrapbook that may just be sitting in the attic somewhere. We will continue to open new millennium trails in our most scenic parks and historic sites. And through the Millennium Green Program, we hope to inspire every single American to plant a tree for future generations to enjoy. And through the National Endowment for the Humanities project My History Is America's History, we hope to

help every child in America value their own family histories and honor our nation's immigrant past and present.

This time capsule is one of our gifts to the future, a gift that will convey to our great-grandchildren and their children what it was like and what we were thinking at the end of the 20th century.

In many ways, what our descendants find inside this capsule can be viewed not merely as a relic of the past, but as this generation's promise to the future. There will be a photo of Rosa Parks in the days after that fateful bus ride, to serve to remind us not only of her courage, but of our solemn pledge to move forward in the long march toward justice and to live even closer to our ideals of freedom and equality.

The model of the DNA double helix will be placed in the capsule, not just as a symbol of one of the greatest scientific breakthroughs of all history, but of our commitment to completing the human genome project, cracking the code of life and putting it to work for the good of humanity.

And the film of Neil Armstrong's walk on the Moon must also be our pledge to keep America the world's leading space-faring nation.

So all of us have a chance to work to give these gifts and so many others to the future -- the gifts of our natural monuments and historic places preserved, the gift of safe schools and a world-class education for our children, the gift of quality, affordable health care for all Americans, the gift of peace and justice on Earth. If we make this historic millennial weekend and the millennial year to come a time for thanksgiving, each one of us will be able to do as the president suggested -- not merely to think of what we might want or what we would wish for, but what we can do to create the future we all hope and dream for.

I hope that all of us, as we contemplate this passing of the calendar, will think of our own ways of giving gifts to the future and imagine the kind of world we could help to create.

Now I would like to invite our special guests to step forward and to announce their contributions to our National Millennium Time Capsule.

Thank you all very much. (Applause.)

END

"The Year 2000: Dawn of a New Era," ABC News, 1/1/2000

PRESIDENT AND MRS. CLINTON ADDRESS THE NATION NEW YEAR'S DAY

SAM DONALDSON, host:

I think it's time to go to the White House after that attempt at humor. President Clinton and his normal Saturday morning radio address. A television camera has been allowed to be in

this morning. And he is joined by his wife, **Hillary Rodham Clinton**, as the two of them talk to the nation on this first day of the new year on this first day of the new millennium.

President BILL **CLINTON**: Good morning, and happy new year, or we should say happy new millennium. Last night, Hillary and I joined thousands of Americans in the National Mall to bid farewell to the remarkable century just passed and to welcome the new millennium. The feelings of goodwill and hope that overcame us all will be among our most treasured memories, and we're deeply grateful that the celebrations were both jubilant and peaceful, here and all around the world.

Ms. **HILLARY RODHAM CLINTON**: But our celebration didn't just begin at the stroke of midnight, nor will it end today. Two years ago, the president and I launched the White House Millennium Project to inspire all Americans to reflect on where we have been as a nation, who we are, and what we want to be, a project to honor the past and imagine the future. I've traveled all across our country, encouraging citizens and communities to think of the gifts that America can give to the future, whether it's saving our historic treasures, such as the Declaration of Independence, or Thomas Edison's invention factory, or the Pueblos of the American Southwest, opening trails and planting millions of trees for future generations to enjoy, or teaching our school children to value their own families and America's immigrant past. The president and I invite you to join these and so many other efforts to extend our celebration far into the new year and the new century.

Pres. **CLINTON**: What is perhaps most remarkable about last night's celebration is the way it was shared all around the world. Millions of Americans and billions of others across the globe watched on television as midnight broke first in Asia, then in Europe, then Africa, South America, finally here in North America. That people all over the planet could experience the same events at the same time would have been impossible for anyone to imagine a thousand years ago--even 100. Yet the growing interconnectedness of the world today, thanks to a global economy and technologies like the Internet, is more than just a mark of how far we've come. It's the key to understanding where we're going and what we must do in the new millennium. It's clear that our fate in America increasingly will be tied to the fate of other nations and other people around the world. We must have prosperous partners to trade with, secure democracies to share the burdens of peacekeeping, and mutual effort to combat challenges that know no borders, from terrorism to environmental destruction. To advance our interests and protect our values in this new, interconnected world, America clearly must remain engaged. We must help to shape events and not be shaped by them.

Mrs. **CLINTON**: Yet it is not just by our exertions abroad, but by the example we set here at home that we can influence the world for the better. For in the new millennium, the world will be looking to America for leadership in meeting our great common challenges. If we in America can extend prosperity to people and places in this country that have not yet felt it, then perhaps the global economy can bring a better life to the 1.4 billion people who live on less than one dollar a day. If we in America can provide all of our children with a world-class education, then perhaps it will be possible in the not too distant future for every child in the world to have a good education. And if we can build one America and make our diversity our

greatest strength, then perhaps other nations will see the advantage of working to overcome their own ethnic and religious tensions.

President **CLINTON**: We begin the 21st century well poised to be that guiding light. Seldom in our history, and never in my lifetime, has our nation enjoyed such a combination of widespread economic success, social solidarity, and national self-confidence without an internal crisis or an overarching external threat. Never has the openness and dynamism of our society been more emulated by other countries. Never have our values of freedom, democracy, and opportunity been more ascendant in the world. Nearly 55 years ago, President Franklin Roosevelt said that 'We cannot live alone at peace. Our own well-being is dependent on the well-being of other nations far away. And therefore, that we must be citizens of the world, members of the human community.' I believe his words will prove even truer in the 21st century. With America fulfilling our ideals and responsibilities, we can make this new century a time of unprecedented peace, freedom, and prosperity for our people and for all the citizens of the world. Thank you, happy new year, and God bless America.

DONALDSON: The President and Mrs. Clinton speaking from the Oval Office where the president normally delivers his Saturday morning radio address. Today, on television; today, joined by the first lady with a message for this new year and this new millennium.

And we'll be back in just a moment with more of our coverage of the first day of the third millennium, right after this message.

Announcer: This ABC NEWS special, THE YEAR 2000: DAWN OF A NEW ERA, will return in a moment.

(Commercial break)

"CNN Live Event/Special," CNN, 1/6/2000

President and Mrs. Clinton Hold Impromptu News Conference Outside New Home in Chappaqua, New York

HIGHLIGHT: President and Mrs. Clinton hold an impromptu news conference, making their comments from outside their new house in Chappaqua, New York, about their first night in their new home.

THIS IS A RUSH TRANSCRIPT. THIS COPY MAY NOT BE IN ITS FINAL FORM AND MAY BE UPDATED.

DARYN KAGAN, CNN ANCHOR: And we are live now in Chappaqua, New York, listening to President and Mrs. Clinton talk about their first night in their new home.

(JOINED IN PROGRESS)

HILLARY RODHAM CLINTON, FIRST LADY: ... that aren't done yet but are going to have to be tended to.

QUESTION: So you're going back to Washington today (inaudible) that?

RODHAM **CLINTON**: Yes. I'm going back today and we'll be packing up more things and moving more things in the next couple of weeks, so that it'll be a process. You know, we're not going to be totally moved in and everything in place for a while. But it's a lot of fun for us to be able to do this again for the first time in such a long time.

Because we of course worked very hard in the White House and spent an enormous amount of time and effort trying to keep the White House in good shape and do some additional work that needed to be done there, but it's different when you're doing it in your own home.

QUESTION: Have you thought any more about a schedule for how often you'll both be here?

QUESTION: (OFF-MIKE) days ago said that both of you, the Clintons, he said, have been egregious violators of soft money, both in how it's collected and how it's distributed. Your reaction?

RODHAM **CLINTON**: We're going to talk about our house this morning, which we are very happy about being in and being New Yorkers, and we'll leave that to another time.

QUESTION: Mr. President, are you going to Lazard Freres?

WILLIAM J. **CLINTON**, PRESIDENT OF THE UNITED STATES: No. No, I keep reading all these things. I've not given very much thought to this. I'm going to work very hard on finishing my library and center, and I'm going to devote all my attention being president. I've got a lot -- a big agenda this year.

We're going back now, and I have to go back to Shepherdstown this afternoon. But I've had no discussions with anybody about that kind of move. And I was amazed to see that in the paper. No one's even suggested that.

QUESTION: Mr. President, last night the vice president debates said the Hill asked military commanders about their feelings on gays serving in the military before appointing people to the Joint Chiefs of Staff. Is this litmus test the way it should work?

CLINTON: Well, I think the real problem is -- let me go back to what happened, because as you know my view was, and I will restate my view, the Uniform Code of Military Justice prohibits homosexual contacts. So my view was if someone was willing to take the pledge to observe the Uniform Code of Military Justice, they shouldn't have to lie about being gay and being in the military.

Then let me remind you what happened. The Congress voted by a veto-proof majority against that position. So that's how we got to "don't ask, don't tell." My focus has been on trying to make the policy work the way the military commanders said it would work back in 1993, which it has not been doing. No one disputes that.

To Secretary Cohen's credit, back in August he announced some new guidelines which have now been implemented for training and for implementation, which I think will significantly improve the present situation over the next few months.

Now, the vice president and Senator Bradley say they want to go back to the position that I advocated in '92 and '93. In order to do that, the Congress will have to change the law, I believe. I don't think that the military and the president have the authority to do it. Now you could go back and look at the constitutional arguments...

KAGAN: We've been listening to comments from President and Mrs. Clinton. This turned into a kind of an impromptu news conference, making their comments from outside their new house in Chappaqua, New York.

FIRST LADY HILLARY RODHAM CLINTON DELIVERS REMARKS AT THE RAINBOW/PUSH COALITION CONFERENCE, 1/12/2000

LOCATION: NEW YORK CITY

CLINTON: Thank you very much, Reverend Jackson.

You know, you can believe nearly everything Reverend Jackson tells you.

(LAUGHTER)

But I do have to take just a moment to set the record straight. When we met, we were both children.

(LAUGHTER)

That was so long ago, neither of us can even remember that far back. But it has been 25 or 30 years of friendship, good natured ribbing, commitment to the same goals and aspirations for the country that we both love so much.

I'm delighted to be here with Percy Sutton (ph), who has been an example for so many people throughout New York and America, and whose grace...

(APPLAUSE)

... and wisdom still influence us all.

I want to thank Secretary Summers for being here. I think when the history of the last 10 years is written, the role that Secretary Summers and his predecessors, Secretary Rubin and Secretary Benson, played in bringing the Treasury Department into the full agenda of opportunity is one that will be marked as extraordinarily important.

And Secretary Summers has gone places where other treasury secretaries have not gone before and has taken up the battle for equal access to capital and opportunity.

CLINTON: And...

(APPLAUSE)

And I want to thank Bruce Gordon for his eloquence and his provocative reminder that there is more to be done.

We come to this meeting with a lot of good news, and we've heard quite a bit of that from both Secretary Summers and from Mr. Gordon. But we also know that we would not be meeting here if we did not have work to do, that the lack of equal opportunity for access to capital and for jobs is one of the unfinished pieces of business from the last century that we carry with us into this new one.

One of the lines that is not often quoted from Dr. King's memorable speech on the steps of the Lincoln Memorial is the following. He said, "We refuse to believe that there are insufficient funds in the great vaults of opportunity in this nation." Those vaults of opportunity are slowly but surely being pried open, but they need to open much faster, if we are to keep faith...

(APPLAUSE)

... with the talents and the skills of Americans from every walk of life.

CLINTON: Those vaults of opportunity are fuller than ever. But their prizes are not reaching all who need them.

So, I hope that all of us gathered here today and through the rest of this conference will work to keep faith with Dr. King's words and do all that we can in the public and private and philanthropic sectors to make sure those vaults of opportunity are opened as wide as possible.

I want to thank Reverend Jackson and all who work with him on this Wall Street project for what you are doing not only to open the vaults but to remind us that every one of us has an obligation and a responsibility in the continuing journey of America to extend opportunity, to extend the winners' circle, so that every American feels that his or her place is in the forefront of taking the American dream for themselves.

We have to be breaking down those barriers that still keep us from working together and building bridges, barriers between races and until recently, between Wall Street and the great untapped markets of America.

Yesterday, I was in upstate New York. I started in Rochester, I drove to the county seat of a small county, a town called Lyons in Wayne County. And then, I went on to Geneva, where I spoke to several thousand college students and community citizens.

I started by visiting a supermarket that had not been there very long because it was in an under-served neighborhood in Rochester.

CLINTON: But because of government policies, committed business leaders, visionary public leadership, that supermarket is now there, employing hundreds of people, doing business with dozens and dozens of other businesses and serving as a stark rebuke to anyone who believes there are not markets yet to be tapped right here in our own country.

And if one...

(APPLAUSE)

... if one were to go to many of the board rooms in many of the great businesses that call this city their headquarters, there would still be incredulity at the idea that you could make a profit as this chain of supermarkets in these under-served neighborhoods is making -- that you could make a profit serving people like the ones I saw in that supermarket. I must have shaken hundreds of hands.

And the clearest way to know whether you are with a poor person in America is not by the logo on the clothes, because we all wear pretty much the same anymore; it's by looking into their eyes and seeing whether they look into yours and seeing what kind of teeth they have. Poor Americans, more than in any other way, demonstrate their poverty these days by how much medical and dental care they either have or haven't received.

So, in those hundreds of hands I shook, I could see without anyone showing me a bank balance or telling me their life story that for these impoverished people, this supermarket gave them a chance to really feel they were back in American's mainstream.

CLINTON: I spoke with some of the suppliers, some of the stockers who were there, some of the people who delivered goods to the supermarket, and they told me very honestly they never thought there would be a profitable market in that part of town again.

There are still too many New Yorkers and too many Americans who haven't yet felt the full impact of the economic progress that we celebrate as we begin this new century. And if you believe, as I do, that part of the challenge we have is to bridge the capital divide, then I hope you will see as I see in all of my travels that we really have three divides that we have to bridge in order to provide opportunity as fully as possible. We have a capital divide, we have an education divide and we have a digital divide, which Bruce talked about so well.

If we add those divides up, we see what our challenges are: How do we get capital where it needs to be? How do we make sure our education systems are working for all Americans? How do we provide access to all the new information technology?

If we take on those three challenges, then we will bridge the opportunity divide that still exists in America.

(APPLAUSE)

CLINTON: And the good news is, we know what works. It's not as though we have no idea how to bridge the opportunity divide. There are many models around New York and America that can be pointed to with great pride. Bruce and Percy and Jesse and Larry mentioned and referred to some. The trick is whether we summon the political will and leadership, the public investment and leadership, the private investment and leadership in order to bridge these divides.

I've met many New Yorkers in the last six months who have very good ideas about what to do in their own communities in order to further their independence and self-sufficiency, but they need help, they need investment and they need leadership.

Last summer and fall, Reverend Jackson joined the president on a New Markets tour across America to shine a spotlight and bring new investments to communities left behind in good

times -- from Newark to Watts to the Pine Ridge Reservation. And in the months since then, businesses that were watching and listening have been taking advantage of some of these new opportunities.

CLINTON: New jobs have been created. New capital has found its way to create economic opportunity in those long-forgotten places.

In this era of unprecedented prosperity, we do have a chance to build on what has been done in the last seven years. We now know that we can reform welfare. We now know that we can create jobs.

I remember in 1992 when the number eight million jobs was put out, many people said don't promise that many new jobs. You'll never get there. Well, I think we're at -- what 18, 19 million now, Larry, because we changed public policies, we unleashed a lot of entrepreneurial energy, we created more capital by bringing down the deficit and enabling the private markets to have access to that capital. And the results are there for everyone to see.

But let's not kid ourselves. This path of fiscal discipline begun in 1993 is not a sure thing. Because of the president's leadership and the able assistance of secretaries of treasury and others, we have abandoned the massive deficits of the 1980s, we have built record high surpluses and restored confidence in the American economy.

But every year, despite the evidence that fiscal discipline brought us to this point where we could be talking about expanding opportunities to those left behind, there are members of Congress and candidates for Congress who insist on throwing away that progress on irresponsible tax and budget plans.

If we want a strong economy that helps us bridge the opportunity divide, then we have to make sure that we do not make a U-turn back to the days of fiscal irresponsibility. We cannot go back to the time when deficits hobbled growth, spiked interest rates and robbed businesses of capital for investments throughout our country.

CLINTON: Therefore, part of our obligation here is to stand firmly in favor of those policies that will continue to nurture economic conditions that businesses need to expand and thrive and create new jobs.

That's one of the reasons we fought so hard to preserve the Community Reinvestment Act. The CRA...

(APPLAUSE)

The CRA was seen by some as a social engineering tool that had no place in the marketplace. But we know that the CRA has helped families buy new homes, helped businesses hire more workers and promoted economic growth in so many communities. It is an important tool to expand on the progress that we have made and hope to make. And it is a valuable tool that I will stand firmly beside Reverend Jackson and Secretary Summers and others always to protect, because without that kind of public-private partnership, we will not maximize our opportunity and the chance to bring more people into this economy.

I strongly support the proposal that was announced today, that Secretary Summers spoke about, to expand the earned income tax credit to help more married couples and families who are raising two or more children. No one who works full-time in America should have to raise a family in poverty. We ended...

(APPLAUSE)

We ended welfare in large measure because we wanted to reward work.

CLINTON: Now we have to make work pay, and full-time work should provide a decent living wage that lifts a family out of poverty. And...

(APPLAUSE)

And there is a role, certainly, for earned income tax credit, for the minimum wage and other tools of government. But the greatest opportunity lies in the private sector -- to go into those markets that have been written off in the past and to bring the know-how and technical assistance that only the private sector can provide.

When I was speaking with the store manager at that supermarket in Rochester, I was struck time and again by how enthusiastic he was for the new business that he had helped to create, and how now there were five such supermarkets and more on the drawing boards. It was not something that was done from the goodness of the corporate heart. It was not an altruistic decision. It was a simple profit and loss decision and it has paid off.

I believe that if we continue to work together, the public and the private sector, to push the New Markets Initiative, to create more awareness among our business and corporate leaders about what markets are available, we will have even more stories like the ones all of us could tell.

I believe we have to make it easier for businesses of all sizes; from Fortune 500 to small start-ups, to invest in the inner city and in rural areas. I believe that's why we should support tax credits and incentives and government-guaranteed loans to leverage billions of dollars in new private investment and reduce the initial risk for businesses that agree to hang out their shingles in areas of high unemployment.

CLINTON: That supermarket was there because of the empowerment zone and enterprise community legislation that provided just that extra push that a business needed -- that the government would stand behind their risk-taking while they determined how to make a profit and build a market.

Tomorrow the president will be introducing even more proposals to boost the New Markets Initiative, and there is one aspect of that that I would like to discuss; he will certainly be making all of the other announcements here in New York.

But one that is particularly important to me and that I've been involved in now for more than 15 years is called microenterprise, an idea that started in very poor places -- Bangladesh and India -- where there was no collateral for any kind of credit, yet people worked hard 12, 18 hours a day bringing in crops, taking goods to market. They had the collateral of their own commitment to hard work. And then that was thought to be enough to give them small loans so that they could create small businesses to further their families' fortunes.

I first heard about microenterprise when I heard about the Grameen (ph) Bank in Bangladesh and a man named Mohamed Unis (ph), a United States-trained economist who returned home to Bangladesh and determined that there was no way for that poor country ever to provide economic opportunity without access to capital, and went about the business of starting a bank that would do just that.

I'd heard about how the South Shore Bank in Chicago had taken those ideas and transplanted them to America, providing modest-sized loans primarily to low-income women, who would have never qualified for a commercial loan.

When I heard about it, I knew that that was an idea that could change lives throughout America, and particularly in Arkansas, where Bill and I were committed to doing all we could to bring economic opportunity to areas that had long been left out of the mainstream of America's economy.

CLINTON: So we began to create a local version of this kind of micro-enterprise, starting a bank in association with the South Shore Bank, starting the loan funds in something called the "good faith fund," and we saw that what worked far away from the shores of our own country could indeed work here at home.

Many low-income people who had skills and talents were able to turn them in to jobs and even small businesses that employed others because they had access to capital. People began to free themselves from welfare. They saw a future where before they never had.

I know that many people are still unaware of micro-enterprise, don't know what it can do in the lives of Americans, and that many commercial enterprises, particularly commercial banks, are still reluctant to be involved. And yet in every program of micro-credit that I am personally aware of, the loan repayment rate is more than 95 percent. That is...

(APPLAUSE)

That is a return that most commercial banks certainly could not claim. And it is credit that is extended to the poorest of the poor, but in a way that enables and empowers them to not only make a profit but to pass on that kind of economic awareness to their neighbors, therefore creating a larger and larger market.

I want to thank some of America's commercial banks that are beginning to be involved in micro-enterprise, but principally abroad, working in Northern Ireland, working in India. We need to bring those ideas that work right here to America.

Since 1993, we have built a strong record of support and investment in micro lending in the Clinton administration. We've tripled America's investment in community development banks and have established the presidential awards in micro-enterprise excellence and provided technical assistance.

CLINTON: I believe we can build on that progress. I would like to double the number of micro entrepreneurs in our communities. And we can do that by strengthening the SBA's micro loan program and the new PRIME Act, which extends training and credit to people with little income or credit but good ideas for business and the willingness to put in a lot of sweat equity.

I will certainly work to support the SBA's very successful one- stop capital shops which provide finance and micro-enterprise training in distressed communities to even more under-served areas, particularly rural communities.

Now, it is clear that micro-credit is not the only solution. But it is a small and important part of the overall strategy to bridge the opportunity divide. If we have a New Markets Initiative that opens up new markets, we have to recognize that that is more than just economics and money that we're talking about. It is restoring confidence in communities where it has basically disappeared. It is giving citizens a chance to open up their first savings accounts. Instead of going to cash checkers with their EITC checks, they can go to a real bank and cash it and not pay the exorbitant fees that eat into the little income that they have. It is watching a mother with pride get dressed for work once again, and seeing abandoned streets and blocks gleam with new businesses like I saw yesterday.

I finished my day yesterday at Hobart (ph) and William Smith colleges where about 2,000 young people and maybe another thousand...

(AUDIO GAP)

... a lot of good.

And I thank all of you for being committed to what Reverend Jackson calls America's freedom symphony. You heard him recite it as I've heard him say it so many times before: The first movement, liberation from slavery. The second, the end of segregation. The third, the fight to win the vote, which must be exercised if it means anything. And the final movement, the crusade to bring economic opportunity to all Americans.

It is our opportunity to play that symphony better than it has ever been played anywhere, anytime in human history.

Thank you all very much.

(APPLAUSE)

END

"CNN SATURDAY MORNING NEWS," CNN, 2/5/2000

Kathleen Koch joining us now from the White House with more on that.

Good morning, Kathleen.

KATHLEEN KOCH, CNN CORRESPONDENT: Good morning, Miles.

As you said, this is the weekend when **Hillary Rodham Clinton** transitions officially from having that conversation with New Yorkers to actually becoming a candidate for the New York Senate seat. Now, she will be making the announcement at 3:00 p.m. tomorrow at State University of New York in Purchase, and CNN will be carrying that announcement, of course, live.

Standing there at her side, where she has been for him throughout his political career, of course, will be President Clinton, though it's not exactly clear what role Mr. Clinton will play in the ceremony. Generally, the honor of introducing the candidate goes to the spouse or to the senior politician present and, of course, the president is both. But there are whisperings that because of lingering concerns over Mrs. Clinton's status as an outsider still in the state of New York that perhaps a New York politician will be tapped for that duty.

Afterwards, the Clintons plan to begin attending some campaign events and there is also a great deal of interest and it's somewhat of a mystery as to what role the president will play in the first lady's campaign.

Earlier this week, White House Press Secretary Joe Lockhart said that the president is going to "do whatever is going to be effective for her campaign" and that that would be determined as the campaign unfolds.

This, of course, will also be a very big weekend for the man who is expected to be the first lady's challenger for the New York Senate seat, Mayor Rudy Giuliani of New York. Not one to be ignored, he is going to be appearing on five Sunday morning news talk shows, count them, five. At that point we are expected to hear more about charges that came out this week that the first lady may not have adequately reimbursed taxpayers for campaign trips that she made on government aircraft. Just a taste, perhaps, of the nasty campaign to come.

So what will the White House do now with the mostly absent first lady? Press Secretary Joe Lockhart again says that the White House will manage. The first lady said that she's going to try to be here for special White House dinners, formal events with visiting dignitaries and Lockhart has said operations here won't be impacted. Where they need to fill in, they will.

Reporting live at the White House, I'm Kathleen Koch.

O'BRIEN: Of course, Mrs. Clinton will be the first first lady to run for U.S. Senate. What is the agenda? The answer might lie in what she did as first lady.

CNN White House Correspondent Kelly Wallace with a look at that.

(BEGIN VIDEOTAPE)

KELLY WALLACE, CNN CORRESPONDENT (voice-over): From the beginning, **Hillary Rodham Clinton** broke new ground as first lady, leading her husband's efforts to make health coverage universal, testifying on Capitol Hill.

HILLARY **CLINTON**: I'm here as an American citizen concerned about the health of her family and the health of her nation.

WALLACE: The experience was a political disaster. Critics not only attacked the plan, but questioned the power she wielded in the White House. Now, Mrs. Clinton admits she's learned a few lessons.

CLINTON: But I now come from the school of smaller steps.

WALLACE: Smaller and often less public steps, she pushed for government health insurance for children of low income workers, now federal law.

SEN. CHRISTOPHER DODD (D), CONNECTICUT: When I want to get the child care numbers improved in the White House's budget I don't call the president, I don't call the Office of Management and Budget, I don't call the chief of staff, I call the first lady.

WALLACE: Most of Mrs. Clinton's policy efforts focused on children, including kids waiting to be adopted.

CLINTON: Foster care should never be a permanent solution.

WALLACE: She lobbied Congress to increase incentives for adoption. Her husband signed it into law. She also convened two White House conferences, one on child care, the other on brain development in early childhood. Matthew Melmed worked with Mrs. Clinton on programs for children under four.

MATTHEW MELMED, ZERO TO THREE: She had a very pragmatic approach about what was the art of the possible and how could we try to move that forward. And I believe that that's how she was able to accomplish as much as she has been able to accomplish.

WALLACE: Mrs. Clinton also traveled to more countries than any other first lady, focusing attention on women's health in Pakistan, promoting women's rights in China and advocating micro loans in South Africa. Aides say the first lady's policy achievements are an untold story.

LISA MUSCATINE, PRESS SECRETARY TO HILLARY **CLINTON:** I think that after '94 a lot of people just assumed that because health care didn't go quite the way she wanted it to, that was going to be the end of her involvement and quite the opposite has been true.

WALLACE (on camera): And if the first lady makes her way to the Senate, her aides say the venue might change but her focus on children and families will not.

Kelly Wallace, CNN, the White House.

(END VIDEOTAPE)

O'BRIEN: CNN is planning live coverage of Mrs. Clinton's announcement. It begins tomorrow at 3:00 p.m. Eastern Time. Mrs. Clinton's expected opponent will be among the guests tomorrow on CNN's LATE EDITION. New York City's Republican Mayor Rudy Giuliani is Wolf Blitzer's guest, noon Eastern Time for that.

"CNN LIVE EVENT/SPECIAL," CNN, 2/6/2000

GENE RANDALL, CNN ANCHOR: First lady **Hillary Rodham Clinton** today makes history by formally launching her bid for the U.S. Senate from New York. She is doing so from a state university campus in Purchase, New York not far from the Clinton's new home in Chappaqua. Speaking at the moment is Senator Charles Schumer of New York. Today's announcement caps many months of Mrs. Clinton's unofficial candidacy. President Clinton and daughter Chelsea are there for the event.

And CNN's White House correspondent John King is there as well -- John.

JOHN KING, CNN SR. WHITE HOUSE CORRESPONDENT: (OFF-MIKE) ... six months, she will be a candidate for the United States Senate seat being vacated by the long-time Democrat Daniel Patrick Moynihan. This is Mrs. Clinton's first run for elective office. A grueling campaign expected here in New York.

Her likely Republican opponent, although he has not officially announced yet, the New York City mayor, Rudy Giuliani. Polls show a relatively (OFF-MIKE) ... said he led at one point early one. (OFF- MIKE) ... the mayor leading 47 percent to 40 percent in the latest Marist Institute Poll.

The first lady (OFF-MIKE) ... launched her campaign today. One big issue, of course, is she a New Yorker, is she representing people of New York? Just moments ago, the dean of the state's congressional delegation, Congressman Charlie Rangel addressed that issue. He said if you need help in public service, you don't ask somebody where they're from, you ask if they're willing to serve.

So already the first lady's friends trying to help her out today to answer what many consider the threshold question, is she running to represent New York, or is she running to advance her own national political agenda -- Gene.

RANDALL: Thanks, John.

With me in the studio is Bill Schneider, our senior political analyst. Bill, what kind of political shape is the first lady in as she formally launches this bid for the Senate?

WILLIAM SCHNEIDER, CNN SR. POLITICAL ANALYST: Gene, it's a very tight race. She's not in as good a shape as she was even a year ago at the end of the impeachment ordeal when she was running ahead of Mayor Giuliani. The latest polls, as John King just said, shows her trailing the New York City mayor.

Another poll just came out today, the Quinnipiac College Poll, which shows her behind also 45 to 42, 45 percent for Giuliani, 42 percent for Mrs. Clinton. But both of these polls are interesting because they both show that she ties among women voters in New York. She is not running ahead of the mayor among women and that's a problem that she has to attend to in her announcement today.

RANDALL: Bill, Mayor Giuliani of New York today probably tied the modern record for talk show appearances set by Bill Ginsberg (ph), Monica Lewinsky's first lawyer. He did every major TV talk show today in what was obviously designed as a round of preemptive strikes. Let's listen to a bit of what he said on one of the talk shows today, our own with Wolf Blitzer.

(BEGIN VIDEO CLIP, "LATE EDITION WITH WOLF BLITZER")

MAYOR RUDOLPH GIULIANI (R), NEW YORK CITY: ... single biggest issue in this race will be the single biggest issue in any race, who do the public trust more to represent them. Who does the public think is going to do a better job in this particular case of representing the state of New York in the United States Senate.

(END VIDEO CLIP)

RANDALL: This is a politician who is known for the rough and tumble. Today, if anything, he seemed to be understated. How did he do?

SCHNEIDER: I thought he did very well, because he simply said, I'm going to be running to represent the people of New York. Key words, New York, represent. She has never lived or worked in New York State. Her campaign is mostly about national ideas and national issues.

She's got to somehow make it clear to the voters of New York, today perhaps, that her agenda will be their agenda, because frankly, especially in upstate New York, the carpetbagger charge that she's come from nowhere, from Washington, from Arkansas to try to claim the seat to further her own career, they suspect that and that's why she's running behind.

RANDALL: Do you think we'll see a kinder, gentler Rudy Giuliani in the days ahead?

SCHNEIDER: It's hard to imagine such a thing, but he was pretty kind and gentle today, when she's tried to portray him as a bully -- her people -- I won't say she's done this, but her staff has tried to portray as someone who's part of the vast right-wing conspiracy, who's going to be used to -- by the anti-Clinton forces.

Number one, his views are not that right wing. On our own "LATE EDITION WITH WOLF BLITZER," he talked about supporting the minimum wage increase, supporting the patients' bill of rights and the right of patients to sue, supporting the president's agenda on a whole number of issues. He's not a right winger.

Second of all, it's hard to portray him as someone who's going to be pushed around somehow by the right-wing who run Congress here in Washington, because frankly, New Yorkers don't believe that anybody pushes Mayor Giuliani around.

RANDALL: Bill, one major piece of business for the Clinton campaign now in New York for the first lady is to reintroduce her to the voters of that state. She will argue she has been misperceived, and part of the effort today is an 18-minute biographical video of Mrs. Clinton. I want to look at part of that and then ask you about it.

(BEGIN VIDEO CLIP, HILLARY **CLINTON** CAMPAIGN AD)

DOROTHY RODHAM **CLINTON**, HILLARY **CLINTON'S** MOTHER: She was a good child without being too good.

HILLARY RODHAM CLINTON, FIRST LADY: I was very fortunate that I lived with both my parents and my two younger brothers in a close-knit neighborhood. I went to really good public schools. My father was a small businessman. He had a small drapery company that didn't employ very many people except every so often he would draft my mother and my brothers and I to help him print the fabrics that he designed and sold. We had a wonderful time.

(END VIDEO CLIP)

RANDALL: This is obviously a softer **Hillary Rodham Clinton**, to what end, Bill?

SCHNEIDER: To the end that I mentioned before. She is now tied with Giuliani among women voters in New York. One of the constituencies she has to bolster her standing with is women.

This video, this biography is soft focused. It focuses on children, on her mother, who's featured very prominently in it on her life's background, it focuses on her role as a woman, her relationship both with her mother and with her daughter. This is aimed at shoring up her support among women voters in New York. A lot of them sympathize with her when they saw her as a victim a year ago during the impeachment saga, but now see her differently. They see her as a pol (ph) and that's not a very flattering light.

RANDALL: You saw the entire 18 minutes. How would you characterize it?

SCHNEIDER: Very soft, very biographical. Emphasizing her commitment, her personal convictions on issues like health care, women's rights, children's rights, and also emphasizing her willingness to speak out. New Yorkers value that. It showed her speaking in China, it showed -- and I'm not sure this was wise -- her meeting with Mrs. Arafat on the West Bank, which was very controversial. But it does say that she speaks her mind. In fact, it featured one incident quite prominently, mentioned it several times, that when she graduated Wellesley College in the 1960s she gave a speech that was sensational. She threw away her prepared text and spoke out about the issues that were then whirling the country, because it wants to make the point -- like a true New Yorker, this woman will speak her mind.

RANDALL: And what kind of campaign do you see her running in New York, Bill?

SCHNEIDER: Well, she's going to have to run upstate very hard, because that's where the carpetbagger issue hurts her most. New York City, they don't care about carpetbaggers. Most people came from somewhere else to begin with, many from another country. But in upstate New York, yes, they worry about that and they wonder, how can she understand what life is like, the taxes we pay, the education issues that we face, if she's never lived or worked here?

I can't find another example, save Robert F. Kennedy, which is a questionable example, but I can't find another example of a politician being elected to a major statewide office in any state who's never lived or worked in the state. And when RFK was elected senator from New York in 1964, it was very much on the coattails of Lyndon Johnson, who won New York the very same day on the same ballot by 2,700,000 votes. Kennedy got elected by 700,000. It's hard to see how either Gore or Bradley at the top of the Democratic ticket is going to have coattails the way LBJ did in 1964.

RANDALL: Robert Kennedy in that year, of course, defeating Republican Kenneth Keating.

SCHNEIDER: That's right.

RANDALL: We must take a break, as we await the start of **Hillary Rodham Clinton's** official announcement that indeed she will run for the U.S. Senate from New York. We'll be back in a moment.

(COMMERCIAL BREAK)

RANDALL: Welcome back.

Hillary Rodham Clinton, the first lady of this country will announce that she is a candidate for the U.S. Senate in New York, as she tries to succeed Daniel Patrick Moynihan, who is retiring.

Let's go back to Purchase, New York, where the announcement is still some minutes away.

CNN's senior White House correspondent John King is there.

John, I know there is an 18-minute biographical video which is being played at the moment. How focused is the Hillary Clinton campaign effort to reintroduce her to the voters on her own terms?

KING: Well, that is their main mission today. They say in this speech, through this video we're seeing right here at the announcement right now, 400,000 flyers being distributed across this state entitled "Hillary: the Real Story."

Obviously, the first lady has been a very controversial figure in American politics these past seven years. She was controversial back in Arkansas as well. This a chance for her. She says she has been mischaracterized by her critics, and she acknowledges she perhaps has not done as good a job as she would like to have done to explain herself.

A bit of a role reversal here today. The first lady has traditionally been out supporting her husband in his political effort -- when he was governor of Arkansas, when he was running for president back in 1991 and 1992. Of course, she led the health care reform task force, turned into a political disaster for both the president and the first lady. Now she steps out on her own.

We have not seen her today. She has been off in private rehearsing her speech, we are told. We did see the president and daughter Chelsea Clinton earlier today. They went into Mrs. Clinton's new hometown of Chappaqua to the Starbucks, a little coffee, a little sightseeing early this morning for them. They will be in a supporting role here today. No remarks from the president, although we are told that he does participate in some of the strategy sessions, and he did offer his wife some advice today as she prepared her announcement speech -- Gene.

RANDALL: John, is there an acceptance among the inner circle of **Hillary Rodham Clinton's** organization that she must be a different kind of candidate in the months ahead if she is to make progress against Rudy Giuliani?

KING: They certainly do accept that and on several fronts. First and foremost, in her first six months of exploring she made several mistakes as she explored the ethnic politics of New York, mistakes meeting with some of the leaders here. They felt slighted by her. They felt she came in thinking that they would immediately support her, and she did not reach out to them.

She's working a much more aggressive inside game, and she says she also must be much more accessible, not only to the news media -- and a very competitive news media here in the state of New York -- but on the point you were discussing with Bill Schneider earlier. She wants to show the people of New York that she wants to fight for them. There is some skepticism that she wants to be in the Senate for a national political platform. She needs to make the case she wants to fight for the people of New York.

If you picked up your "New York Times" this morning, she does an interview in which she talks about how shocked she was when she saw her property tax bill for the first time, also talks about her first visit to the supermarket. The first lady trying to cast a new image here, trying to relate herself more to the people now whose votes she desperately needs -- women voters in New York, suburban voters in New York -- and she certainly can't expect a win upstate, but she does very much need to cut into the mayor's lead up there. RANDALL: And, John, once again that biographical video is continuing behind you. we'll get back to you in just a few moments.

Today's official announcement, of course, comes after many months of unofficial campaigning by the first lady. How has she been received by voters in New York to this point?

Here is Deborah Feyerick in New York.

DEBORAH FEYERICK, CNN CORRESPONDENT (voice-over): There's something about Hillary Clinton that opinionated New Yorkers either love or hate.

UNIDENTIFIED NEW YORKER: She's got guts.

UNIDENTIFIED NEW YORKER: Between her and Bill, I think they should just stay out of public office from here on in.

FEYERICK: The Chicago, Boston, Arkansas, Washington and now Chappaqua resident has lived in the state for only a month, a problem for some New Yorkers, not for others.

UNIDENTIFIED NEW YORKER: I'm uncomfortable having someone come in from outside the area and just set up shop here.

UNIDENTIFIED NEW YORKER: It doesn't matter because I'm not from New York, too.

UNIDENTIFIED NEW YORKER: I think it takes a person to have lived here, paid taxes here and gone through the educational system to truly know the problems and needs of the state.

FEYERICK: Still, Hillary Clinton's time in the Arkansas governor's mansion and White House weighs on voters' minds.

UNIDENTIFIED NEW YORKER: Being the president's wife, I mean she has a very good grasp on the issues.

UNIDENTIFIED NEW YORKER: Her experience in New York is limited at best.

UNIDENTIFIED NEW YORKER: She's been in politics a long time and I think she has the educational criteria and I think she could do it.

FEYERICK: She's won friends on some policies but not on others.

UNIDENTIFIED NEW YORKER: I don't think so. She's a friend of Israel and I don't think so she's a friend of New Yorkers either.

UNIDENTIFIED NEW YORKER: She cares about kids. She cares about health.

UNIDENTIFIED NEW YORKER: I don't like her views on the situation in Vieques or the political prisoners, the way she wavered on both.

UNIDENTIFIED NEW YORKER: She seems to have good intentions. FEYERICK: As for her character...

UNIDENTIFIED NEW YORKER: I think I'll pass on comment on that.

UNIDENTIFIED NEW YORKER: I think she's been very intelligent. She does a lot of research before she does stand for something.

FEYERICK: She's remained standing by her man.

UNIDENTIFIED NEW YORKER: I'm not too crazy about the whole Clinton shenanigans and I think she's part of it.

UNIDENTIFIED NEW YORKER: Couples have marital problems and I think she rode through that as a champion.

UNIDENTIFIED NEW YORKER: There's no denying the fact that her and her husband, the president, are a team and you can't have one without the other.

FEYERICK: So what are her chances?

UNIDENTIFIED NEW YORKER: No, I think it's great. It's just about woman time now.

UNIDENTIFIED NEW YORKER: Hey, she could try like everybody else. It's a free country, right?

FEYERICK: Whether New Yorkers like it or not.

Deborah Feyerick, CNN, New York.

(END VIDEOTAPE)

RANDALL: Bill Schneider, John King alluded to the fact that President Clinton has no formal role in today's ceremony. But he also said that the president is, of course, advising his wife. Now do you suppose he advised her on the merits of running as a new Democrat?

SCHNEIDER: Well, apparently he did, because she's stressing, according to the "New York Times" interview this morning, she's stressing her credentials as a new Democrat. She has an image of being the most liberal member of the Clinton administration, but yet she's now talking about her support for the death penalty, her support for welfare reform, which Senator Moynihan, whom she wants to succeed, voted against, saying that it would throw children out on the street. And she's talking about her support for a balanced budget. She's trying to run as a Democrat, a Bill Clinton Democrat.

RANDALL: She is running in a state where her husband won with well in excess of two million votes in 1996. Is that any built-in advantage which is guaranteed?

SCHNEIDER: It's not guaranteed, but it's certainly an advantage. New York has a heavy Democratic registration edge. It's one of the states Democrats believe they can count on in

a presidential election, though, I hasten to add, voted for Ronald Reagan twice. Nevertheless, it is a state that tilts Democratic. not by decisive margins.

The problem is will Al Gore or Bill Bradley have that kind of a margin this year in November? It looks doubtful. Right now, the polls show Gore and Bush, if they are the nominees of the two parties, are running very, very close. So it doesn't look like it's going to be a Democratic landslide in New York.

And frankly, there's a big question mark over this presidential election, and that's John McCain. A lot of Democrats and independents like John McCain. If he turns out to be the Republican nominee, oh boy, watch out.

RANDALL: And hasn't he gotten, really, a lot of attention in New York simply because Bush's people, from Governor Pataki on down, tried to keep McCain off the ballot and finally had to surrender? So he will have ballot access. He's getting a windfall of publicity just from that, isn't he?

SCHNEIDER: That's right. It's a real bonanza for John McCain. He looks like the guy, you know, who took on the impossible task, overthrew the bosses, the machine, the establishment of the New York Republican Party which tried to freeze him out and won. And he won. And New Yorkers are kind of excited by that, the little guy taking on the system, especially people like the mayor -- the governor of New York -- and the mayor, who of course supports George Bush as well.

RANDALL: In Purchase, New York, today, the first lady will be introduced by Senator Daniel Patrick Moynihan. She, of course, would like to succeed him in the U.S. Senate. And when that happens we'll bring it to you, but right now we'll take a break.

(COMMERCIAL BREAK)

RANDALL: There is a major Clinton family event today in Purchase, New York, outside New York City. It is not for the president, it is for his wife, first lady **Hillary Rodham Clinton**. She will formally announce her bid for the U.S. Senate seat being vacated by Senator Daniel Patrick Moynihan.

And our senior White House correspondent, John King, is there.

John, tell me about the turnout for today's event.

KING: We have a who's who here of New York Democratic officials. They might as well have the state convention. Members of Congress here, city Democrats as well as Democrats from all around the state of New York. Also, a large representative from teachers unions here and other organized labor groups backing the first lady. A small smattering of White House staff on hand as well to watch this. They're traveling here with the president of the United States.

What you're about to see, Gene, a very unique moment that shows where we are, a very confused state of Democratic politics right now. The first lady will be introduced by the man she hopes to replace, Senator Daniel Patrick Moynihan. In the presidential race, Senator Moynihan is a supporter of Bill Bradley. Senator Moynihan is known to not be terribly fond of the president, Mr. Clinton, but he is giving his full support to Mrs. Clinton here. That a sign of the rather unique Democratic politics, as she launches her first run for elective office.

Right now we're in the final minutes of that 18-minute biographical video you mentioned earlier. It was produced by two long-time friends of the Clintons, the Hollywood producers Harry Thomason (ph) and Linda Bloodworth (ph). Thomason, you might remember back at the 1992 Democratic Convention, a long biographical video about Bill Clinton called "The Boy From Hope." That was designed to refurbish his image after very bruising Democratic primaries. The Thomasons also produced this video, as the first lady tries to reintroduce herself not only to the people of New York, but to the people of the United States as well. Although, her worries over the next several months, obviously, building support here in New York.

RANDALL: John, what exactly is the president's role today other than accompanying his wife?

KING: He will sit in the background and just cheer his wife on. People in the -- Mrs. Clinton's campaign say that was his decision, that he could have spoken if he wanted to, but that he wanted her -- this to be her day, as she tries to step out.

A great deal of debate about just how big of a role the president can play as the campaign goes on. He has helped his wife raise money. He has helped with her speech today, we're told, and have been involved in some of the strategy meetings. And he promises if wanted he will play a very active role in the fall campaign.

Nationally, the president a controversial figure in his final year perhaps. Here in New York, the latest Marist Institute Poll, a 64 percent approval rating. So no evidence at least in the public opinion polling that the president hurts his wife. The big question is, though, people in New York say she needs to win this on her own, so his role will be limited, at least in the short term. Look for him, though, to help with turnout come November.

RANDALL: We of course assume that the Republican opponent for Mrs. Clinton will be Rudy Giuliani, the Republican mayor of New York City. He did all the talk shows this morning and he talked about himself and his own case for election. Let's hear some of that.

(BEGIN VIDEO CLIP)

GIULIANI: One of the attacks that they make every other day is, the mayor is too much of a fighter, he's too tough. The other attack that they make is, oh, gee, he's just going to do what Republicans tell him to do. Well, maybe the reality is that I'm an independent person, I believe in Republican principles, but I'm pretty good at advocating, I'm pretty good at getting for the people that I serve the things that they need.

(END VIDEO CLIP)

RANDALL: Bill Schneider, we talked about this before. This was a very understated Rudy Giuliani, wasn't it?

SCHNEIDER: Yes. Well, it was understated, but he made it clear that he's a fighter. You know, there's something interesting and odd about Giuliani. He often takes up causes that he doesn't win. Remember he tried to shut down the Brooklyn Museum of Art because they showed an exhibit that he thought was sacrilegious. He tried to revise the city charter in a very unpopular move, rejected by the voters three to one. And the voters turn against him. They don't like those things he's doing. And every time he does it, his ratings go up. Why?

Because they think he's a fighter. He's someone who will fight for the city of New York, fight -- he hopes they'll see him as fighting for the state of New York.

RANDALL: In what kind of shape is he in going into this race, again, assuming he will make the announcement?

SCHNEIDER: Well, he has certain advantages. You know, he -- the mayor of New York is never popular upstate. As far as upstate New Yorkers are concerned, New York City is Mars. But the problem is, she is not very popular upstate either. So he's leading her, but not a decisive margin. That's where the battle will be fought.

His base is not in New York City, where she's leading by a very good margin, he's going to cut into that a bit, because he's a popular mayor, but still, New York City, that's Democratic. His base is in the suburbs of New York. As I like to put it, the suburbs of New York watch New York City television, they think he's done a great job, it's a safe place to go to the theater now, but they don't have to live with him. They don't have to live with the turmoil and the traumas that he causes, and that's where he's best.

RANDALL: Bill, at the risk of being too personal, I will tell you, growing up north of New York City, when I was a small child someone said to me there is a place in New York called Buffalo. I said, no, there isn't. They said, yes, there is. I said, no, there isn't. There can't be a place in New York called Buffalo, which I think goes to your point that there are separate worlds in New York. I'm not proud of that ignorance that I displayed then and I've come to appreciate all of New York. But is upstate where this is going to be told, where the story is going to be told?

SCHNEIDER: I think it will be. That's about 40 to 45 percent of the voters in New York State. There are a lot of them up there. Nobody knows who they are. Wolf Blitzer is from Buffalo. You'll have to talk to him. But it's -- a lot of voters are up there and that is where the carpetbagger issue as well as the liberal image of **Hillary Rodham Clinton** is hurting her. That's why she's running as a new Democrat and that's why in the next couple of weeks she's going to focus her campaign effort in upstate New York, because right now upstate voters favor Giuliani over Mrs. Clinton. Although, as I say, the mayor of New York has never been a popular figure upstate.

RANDALL: And a few minutes from now we'll be hearing from Chappaqua resident **Hillary Rodham Clinton**. But right now, we'll take a break.

(COMMERCIAL BREAK)

RANDALL: President Clinton, his wife, and daughter Chelsea are in Purchase, New York today. It is the first lady, **Hillary Rodham Clinton**, who is in the spotlight. She is formally announcing she is a candidate, a Democratic candidate for the U.S. Senate from New York. She is being introduced by Senator Daniel Patrick Moynihan, who is retiring. Let's go to Purchase, New York.

(JOINED IN PROGRESS)

SEN. DANIEL PATRICK MOYNIHAN (D), NEW YORK: ... and it was decided that I would go and take our daughter, who had never been. So I hired a carriage and we made our way around through the Secret Service checkpoints, and we were sniffed and prodded and scrutinized,

and finally got to the west entrance and a beaming young Secret Service agent looked in the window and said, good evening, Senator Thurmond.

(LAUGHTER)

Which brings me -- reminds me that indeed in just three years I will have spent a half a century in New York politics.

(APPLAUSE)

I got out of the Navy, finished graduate school and went off on a full ride to wander around the world for a bit, came back 1953, went right to work in the mayoral campaign of Robert F. Wagner for mayor of New York. Next came the Harriman campaign for governor and the Harriman administration, then the Kennedy administration. In each of which settings I came to know Eleanor Roosevelt.

(APPLAUSE)

President Kennedy set up a commission on the status of women with her as chair and she would ask us up to Valkil (ph) and there would be wonderful evenings. stories of the 1930s, and discussions of issues to come, lots of martinis, and you came to love this person so because she cared so much about others.

And I would like say to the lady who put a picture of Eleanor Roosevelt on her White House office wall the day she arrived, Hillary, where are you? Hillary, Eleanor Roosevelt would love you.

(APPLAUSE)

And here she is, our next senator and our first lady senator ever, to tell you what she's going to do with the trust we're going to impose on her.

(APPLAUSE)

H. **CLINTON:** Thank you and thank you Senator Moynihan for that very generous introduction and for all the support that you and Liz have given to me. You know New York and America are greatly indebted to Senator Moynihan for your years of courageous and visionary leadership.

(APPLAUSE)

No one has done more to remind us that families are the bedrock of our society. I want to thank Chuck Schumer, Charlie Rangel, and Nita Lowey for their friendship, for their kind words and for all that each of them does for New York. And I want to thank all the members of the congressional delegation who are here today. Thank you all for coming.

(APPLAUSE)

And I want to thank Comptroller Tom McCall, Speaker Shelly Silver and all of the state elected officials who are with us.

(APPLAUSE)

And I so pleased to be here at Purchase College State University of New York.

(APPLAUSE)

I know that Purchase was recently named one of the finest regional public liberal arts colleges in the entire country.

(APPLAUSE)

And it is part of the greatest state university system in this country.

(APPLAUSE)

I think all of the young singers and entertainers and I especially want to thank Amity Weiss (ph) from Ithaca for representing young New Yorkers and all of their possibilities. Thank you, Amity.

(APPLAUSE)

And I thank all my fellow New Yorkers for coming out on this wintry Sunday afternoon to be with me. My long-time friends, my new supporters, elected officials, all of you, I appreciate your being with me. And I know that there are about 1,000 more in the overflow room, and I'm very glad you could be here as well.

I'm so grateful to Bill and Chelsea, my mother and my brothers, and all of our families -- those who could be with us and those who could not, today.

And I'm pleased that I have with me, also, some old friends from my childhood in Chicago, my college days and law-school years in New England, my wonderful years in Arkansas and as first lady. Thank you all for a lifetime's worth of love and encouragement.

You know, the first time I spoke to a group this large was at my college commencement in 1969. I'm a little older now...

(LAUGHTER)

... a little blonder...

(LAUGHTER)

... a lot humbler. I've gone to work, I've raised a child, and I've spent 30 years trying to better the lives of children and families. But I often return to one thing I said way back then, that politics is the art of making possible what appears to be impossible.

(APPLAUSE)

I still believe that today. We can do what seems impossible if we have the vision, the passion and the will to do it together.

We've seen what's possible in the progress we've made over the last seven years, and I am proud and grateful to have been a part of it.

(APPLAUSE)

And I am convinced we can move on from here to meet the challenges that lie ahead. We can strengthen our families, we can protect our children, we can improve our schools, we can provide health care to all our citizens, and we can bring good jobs to every corner of New York.

(APPLAUSE)

Because I believe we can meet these challenges together, I am honored today to announce my candidacy for the United States Senate from New York.

(APPLAUSE)

Thank you. Now I know, some people are asking why I'm doing this here and now. And that's a fair question.

Here's my answer and why I hope you'll put me to work for you. I may be new to the neighborhood, but I'm not new to your concerns.

(APPLAUSE)

When I ate lunch with teachers at a school in Queens, I heard how hard it is to teach and learn when 2,000 kids are crammed into a building designed for half that number. And I thought -- I thought about the work I've done for 20 years to improve our public schools. Now I want to make sure that every child in New York has the best possible public education, with well-trained teachers in modern classrooms connected to the Internet.

(APPLAUSE)

That's why I want to be your senator.

When I visited businesses from Jamestown to Great Neck, I thought about my father who ran a small business and worked hard every day. I thought of all the work I did, first in Arkansas and then as first lady, throughout America and in developing companies, to improve training for workers and to provide credit for entrepreneurs and bring jobs to areas with high unemployment. Now I want to bring the prosperity of this new economy to all New Yorkers, from upstate towns and farms to inner-city neighborhoods. That's why I want to be your senator.

(APPLAUSE)

When I spoke with breast cancer survivors at Adelphi University, I thought about Bill's mother and the courageous battle she fought until her last day. Over the past seven years, I've worked to include annual mammograms under Medicare, and to increase funding for research, detection and treatment of breast cancer.

(APPLAUSE)

Now I want finally to pin down the environmental connections to cancer on Long Island or elsewhere.

(APPLAUSE)

And I want to provide the research funds to prevent and cure cancer, AIDS and other diseases. That's why I want to be your senator.

(APPLAUSE)

You know, when I sat on porches and in back yards from Elmira to New Rochelle, I heard parents' concerns about the media's influence on their children, and I thought about all the conversations Bill and I had with our friends when Chelsea was growing up about how to protect our children from the influences of a popular culture that glorifies guns and violence.

That's why I've advocated for better programming for children, the V-chip and zero tolerance for guns in schools.

(APPLAUSE)

Now I want to challenge the entertainment industry to establish a voluntary, uniform rating system for movies, TV programs and video games that parents can actually use to protect their children. That's why I want to be your senator.

(APPLAUSE)

When I listen to young people from Buffalo to Brooklyn talk about how a caring adult or an after-school program turned their lives around, I thought about all the children I had tutored and represented over the years who were very poor or victims of child abuse or caught up in the foster care system. I'm more committed than ever to helping these children, to giving them the child care and the pre-school, the summer school, after-school and mentoring programs they need. After all, they're all our children, and that's I want to be your senator.

(APPLAUSE)

For over 30 years in many different ways, I've seen first-hand the kinds of challenges New Yorkers face today. I care about the same issues you do. I understand them, and I know I can make progress on them. That's why, my friends, I want to be your senator.

(APPLAUSE)

My life's work has been motivated by fundamental beliefs that are at the heart of my decision to run. I believe every child counts and every child should have a chance. I believe raising children is every parent's most important job. I believe all parents must be responsible and be able to succeed at home and at work, and that no child should grow up in poverty in America in the 21st century.

I believe the solutions to our public problems ought to be based on core American values: community and opportunity, responsibility and enterprise. That means I support a balanced budget and more investments in education; welfare reform and better child care for working parents; tougher child support enforcement and second-chance homes for unwed mothers; more police on the beat and fewer guns on the street...

(APPLAUSE)

... better protection for the environment and steady economic progress.

I'm a New Democrat. I don't believe government is the source of all our problems or the solution to them. But I do believe that when people live up to their responsibilities, we ought to live up to ours, to help them build better lives. That's the basic bargain we owe one another in America today.

(APPLAUSE)

To fulfill that basic bargain for New York, I'll have to fight. Well, I've had some experience with that, too.

(LAUGHTER)

When I pushed for teacher testing and higher standards in the 1980s in the face of protests and boycotts, when I went to Beijing to speak out for women's rights as human rights...

(APPLAUSE)

... in the face of strong opposition to my trip, both here and there, when I tried to get affordable quality health care for all Americans against all the odds and the special interest groups...

(APPLAUSE)

... I won the first two battles. And as you may recall, I lost the last one. But instead of giving up, I learned to take a different approach. That's why I fought for the Children's Health Insurance Program, which already has insured two million children, with funding for three million more.

(APPLAUSE)

That's why I fought to make sure new mothers could at least stay overnight in the hospital and to protect workers from losing their insurance if they changed jobs.

That's why I'm still fighting for a real patient's bill of rights, and why I'll keep fighting until every American has access to health care.

(APPLAUSE)

If you'll put me to work for you, I'll take these values to the United States Senate and I'll fight my heart out for you every single day. I'll be on your side in the fight for higher standards, smaller classes and well-trained teachers in modern classrooms, so that our kids can learn what I call the six R's: not just reading, 'riting and 'rithmitic, but also responsibility, respect and results.

(APPLAUSE)

I'll be on your side in the fight for a fiscal plan that pays down the national debt, strengthens Social Security for at least 50 years, and modernizes Medicare with new prescription drug coverage.

(APPLAUSE)

I'll be on your side in the fight for targeted tax cuts to middle-income families to help with some of our biggest worries: deductions for college tuition, easing the marriage penalty and a tax credit for the care of aging or disabled family members.

(APPLAUSE)

I'll be on your side in the fight for a real increase for the minimum wage, an expanded Earned Income Tax Credit for working families, and equal pay for every woman in every job.

(APPLAUSE)

I'll be on your side in the fight for tough measures to prosecute hate crimes that tear at our social fabric...

(APPLAUSE)

... and to end discrimination against people simply because of their race, ethnicity, sexual orientation or religion.

(APPLAUSE)

I'll be on your side in the fight to keep guns out of the hands of criminals and away from children, for closing the gun-show loophole, requiring child safety locks and licensing all new handgun owners.

(APPLAUSE)

I'll be on your side in the fight to expand family and medical leave, which has already given 20 million Americans time off from work for a new baby or a sick parent.

(APPLAUSE)

I'll be on your side in the fight to protect the privacy of our medical, financial and personal records.

(APPLAUSE)

I'll be on your side in the fight to find smart new ways to help the least fortunate among us, including the homeless. It may be a hard thing to do, but it's the right thing to do.

(APPLAUSE)

I'll be on your side in the fight to bring prosperity to upstate New York and to still-distressed urban areas with new incentives to create jobs, start businesses, reduce air fares and lower utility costs.

I'll be on your side in the fight for a safer world, to pass the Comprehensive Test Ban Treaty...

(APPLAUSE)

... to strengthen our defenses against biological, chemical and cyber-terrorism, to provide debt relief to the poorest countries in Africa, Latin America and Asia...

(APPLAUSE)

... and to work for peace from Northern Ireland to Bosnia and Kosovo, to Greece and Turkey, to India and Pakistan, and to a comprehensive peace in the Middle East which finally guarantees Israel's security.

(APPLAUSE)

And I'll be on your side in the fight for a fair share for New York. It is just wrong that today New York sends \$15 billion more in taxes each year to Washington than New York gets back. That's a big reason that local property taxes are so high. We can change that, working together.

(APPLAUSE)

Now there are also things you can be sure I'll fight against.

I'll be on your side in the fight against school vouchers that drain taxpayer dollars from our public schools.

(APPLAUSE)

I'll be on your side in the fight against Republican efforts to undermine family planning or take away a woman's right to choose.

(APPLAUSE)

I'll be on your side in the fight against any tax cut so big it would take us back to the bad old days of exploding deficits and deep recessions, making it impossible for us to save Social Security and Medicare, fund our educational needs and pay down our national debt.

(APPLAUSE)

And there is one other thing I'll fight against: the divisive politics of revenge and retribution.

(APPLAUSE)

If you put me to work for you, I'll work to lift people up, not push them down.

You know, public service has been my life. It hasn't, as yet, included public office. Over the next nine months all of you will decide whether I've earned the privilege of serving you.

I want to thank those of you who have taken the time to visit with me during the last seven months as I've gone from county to county to hear what's on your minds.

I want to thank all of you who have written me or e-mailed me or visited my campaign web site, at hillary2000.org. I want to thank the nearly 600 families across New York who are hosting house parties this afternoon to help launch my campaign.

(APPLAUSE)

And I especially want to thank the nearly 25,000 New Yorkers who are attending those house parties this afternoon.

(APPLAUSE)

I want to thank the thousands of men and women already working as volunteers on my behalf. I want this to be a people's campaign, a grassroots campaign.

Now I know it's always going to be an easy campaign. But, hey, this is New York.

(APPLAUSE)

In the summer of 1998, I went on a bus trip as part of our White House millennial effort to honor the past and imagine the future.

I remember warm July afternoons when we drove through the beautiful New York countryside, from George Washington's Revolutionary War headquarters in Newburgh, to Harriet Tubman's home in Auburn, to the site of the first women's rights convention in Seneca Falls.

(APPLAUSE)

As I visited these places that captured the greatness of New York's past, I heard in the voices of parents and saw in the eyes of children, their dreams for New York's future.

New York has always been more than just a great state. To people all over the world, it represents the best of America.

(APPLAUSE)

It is the golden door, the gateway to opportunity. New York deserves a future worthy of that past.

New York defined what was possible in the 20th century, and New York can make what seems impossible today possible in the 21st century. And that's why I want to be your senator from New York.

Thank you all very much.

(APPLAUSE)

RANDALL: First lady **Hillary Rodham Clinton** now officially a Democratic candidate for the U.S. Senate from New York. Her bottom line in her announcement speech: I will fight for you, I will be on your side. This, of course, addressed to voters in that state. And she said, I will fight against, what she called, the divisive politics of revenge and retribution. It seemed a clear reference to the impeachment days, which so seriously clouded her husband's White House. All this happening today in Purchase, New York.

And our senior White House correspondent John King is there -- John.

KING: Gene, the celebration underway here now. Amazing to watch the president during his wife's announcement. Several times the president put his mouth and his face down in his hand as if he couldn't believe what he was seeing, shaking his head, also looking on quite proudly, though.

The first lady making it official she will be a candidate for the United States Senate, and in launching her campaign, the first lady directly addressed what many think is her biggest issue here, will she fight for the people of New York, or does she want this job to advance her own national interests. She was born in Illinois, educated in New England, spent most of her adult life in Arkansas, and now in Washington. But the first lady made clear she believes she is ready to fight for New York and the United States Senate.

(BEGIN VIDEO CLIP)

H. **CLINTON:** Now I know, some people are asking why I'm doing this here and now, and that's a fair question. Here is my answer and why I hope you'll put me to work for you. I may be new to the neighborhood, but I'm not new to your concerns. (END VIDEO CLIP)

KING: Those concerns the first lady said, education, health care reform, money to help clean up the environment, but also to keep the economy going. The first lady flatly declaring, "I'm a new Democrat." She has been regarded for years as the more liberal member of the Clinton partnership, but declaring today in a speech that very well could have been read by her husband that she would push ahead for a balanced budget, support welfare reform, she supports the death penalty as well, a more national message here.

Even as the first lady discussed specific concerns to New York, she delivered a very national Democratic message, mirroring her husband's recent State of the Union address, that in part because she and Mayor Rudy Giuliani, her Republican opponent, they both support abortion rights, they both support gay rights. To succeed her, many in here campaign think she needs to make the case that the Republicans already have a majority in the United States Senate and that the people of New York do not want to send another Republican senator to Washington -- Gene.

RANDALL: So, John, while the president's role was one of cheerleader today, he was very much a part of that speech, wasn't he?

KING: He certainly was. We're told that in private strategy meetings over the past week the president helped write the speech. Also, for months he has been participating in weekly meetings at the White House between the first lady's political staff and her White House staff.

The president's role so far largely behind the scenes, although he is helping her raise money. The big question is how active and how public will he be in the months ahead. Today we're told it was his personal decision to stay out of the limelight, let his wife step out in the shadow. She has supported him and stepped up for him in key moments throughout his career. This was her day. The president looking on quite proudly, shaking his head, though, as if in disbelief several occasions -- Gene.

RANDALL: All right. John, thanks very much. We'll come back and talk with Bill Schneider in just a moment, but first we will take a break.

(COMMERCIAL BREAK)

RANDALL: Today's major political development came in Purchase, New York, outside New York City. That is where the first lady, **Hillary Rodham Clinton**, announced formally she is

a candidate, a Democratic candidate for the U.S. Senate from New York. Her probable opponent is the Republican mayor of New York City, Rudy Giuliani.

Our senior political analyst Bill Schneider. Bill, what struck you about the first lady's speech?

SCHNEIDER: Her explicit declaration that she's a new Democrat, very much in the mode of her husband and Al Gore. She said that she was for balanced budget, but also more for social programs, welfare reform and better child care. She actually came right out and said, "I am a new Democrat," and here's how she defined it.

(BEGIN VIDEO CLIP)

H. **CLINTON:** I'm a new Democrat. I don't believe government is the source of all our problems, or the solution to them. But I do believe that when people live up to their responsibilities, we ought to live up to ours, to help them build better lives. That's the basic bargain we owe one another in America today.

(END VIDEO CLIP)

RANDALL: Bill, Mrs. Clinton also tied herself very much to the prosperity, which she said was attributable, at least in part, to her husband's administration.

SCHNEIDER: That was also very striking, because of course, her husband's best thought of in New York and around the country as having been one of the architects of the new economy that he likes to talk about. So she wants to bring that to bear on the concerns and problems of New Yorkers, as she did in this particular passage.

(BEGIN VIDEO CLIP)

H. **CLINTON:** Now, I want to bring the prosperity of this new economy to all New Yorkers, from upstate towns and farms to inner-city neighborhoods. That's why I want to be your senator.

(APPLAUSE)

When I spoke with breast cancer survivors at a...

(END VIDEO CLIP)

RANDALL: Whoops. Technology. Bill, could Al Gore have written a speech as well?

SCHNEIDER: Well, he -- she used the word that he used to reinvent his campaign quite successfully. He won the New Hampshire primary by running on the word fight. And you heard her say fight, fight, fight, about a -- at least a dozen times by my count. She said she's had experience as a fighter on issues like family leave, and going abroad to Beijing and fighting for human rights, and fighting unsuccessfully for health care reform.

She also said she learned to take a different approach. She learned from her mistakes, a very important acknowledgement on her part. And she said she would fight against some of the things that are wrong in Washington. But this notion of being a fighter, that's at the heart of the Gore campaign, it revived his candidacy, and that is clearly going to be at the

heart of her campaign. It's going to be at one -- it's going to be very much the same campaign that Al Gore is running as Democratic candidate for president.

RANDALL: And, Bill, finally, she was out to jump start this campaign today, wasn't she?

SCHNEIDER: Yes, she absolutely was. And what's interesting is, you know, on a lot of issues she agrees with Rudy Giuliani, or he agrees with her, abortion, gay rights, minimum wage, patients' bill of rights. But what she's going to do is say that she will fight the Republican Congress as much as Giuliani, because if you send a Republican to Washington, even if he's moderate and agrees with her on a lot of issues, he will be part of keeping that majority in power, and that's something that she's going to portray as threatening to New Yorkers.

RANDALL: Bill, thank you very much, and thank you to our senior White House correspondent, John King, in Purchase, New York.

I'm Gene Randall in Washington. Donna Kelley will have the rest of the day's news in a moment.

"CNN Larry King Live," CNN, 3/16/2000

LARRY KING, HOST: Tonight, first lady **Hillary Rodham Clinton** on adoption. She wants you to know there are thousands of kids who need it. Entertainer Marie Osmond joins us, one of four fabulous adoptive moms joining us in Los Angeles. With her is actress Donna Mills -- she has an adoptive daughter -- actress Valerie Harper -- got an adopted daughter, too -- actress-singer Nell Carter, two adopted sons, and in Columbus, Ohio, Dave Thomas, founder of Wendy's and founder of the Dave Thomas Foundation for Adoption. That and more next on LARRY KING LIVE.

Good evening. There are about 120,000 adoptions every year in the United States, but there are still tens of thousands of kids waiting to be part of a loving family. **Hillary Rodham Clinton** started working on children's issues long before she entered the White House, but she's made adoption a special priority as first lady, and it's in that role she joins us from New York. We'll save talk of her Senate run for an upcoming show.

Hillary, why adoption? You're not adopted. You didn't adopt Chelsea?

HILLARY RODHAM CLINTON, FIRST LADY OF THE UNITED STATES: You know, Larry, I think it goes back to the work I did 30 years ago when I was in law school, and I decided that I really wanted to do everything possible to help children, and the most vulnerable of our children are children who are caught up in the foster care system, who are given up for adoption, who are abused and neglected. The very first case I did as a young law student was to work with a lawyer to try to help a foster mother adopt a young foster child, and in those days, back in 1970, oftentimes the decisions were made not on the best interests of the child, but who had the biggest house or the most material possessions. And we've come a long way in making adoption much more available and affordable for all people.

And I hope one of the messages of your show tonight is that we have 400,000 children in foster care. About a hundred thousand of those are available to be adopted. We have many children who are not in the foster care system, but who are given up for adoption, and we don't have enough permanent loving homes for those children, so anything we can do we ought to try.

KING: Why -- is it that most people who want to adopt want babies? They don't want to adopt the 4-year-old or 7-year-old in the foster home?

CLINTON: Well, I think that's part of it. But I also think that the system has not been as user-friendly as it needed to be. You know, starting back in '93 and '94, we began to try to change the laws at the national level, to try to begin to expedite decisions about whether a child would go back to the child's biological family or be freed for adoption, and we've done a lot of events at the White House. I know that Dave Thomas will be on with you, and he has been a terrific ally in our fight to change and really open up the adoption system.

And you know, one of the great joys that I have had in the years in the White House is seeing that magic happen when a young child is adopted and finds a permanent home. We have opened the White House time and time again. I remember, particularly, a young woman who had been in foster care for most of her life who was turning 13. All she wanted is what any child wants, which is a room of her own and a family of her own.

And so there are so many success stories that I hope everybody will be sharing and knowing that there are a lot of children out there waiting. We now provide more financial support through the federal government for people who adopt and tax credits. We provide support for people, especially, who adopt children with special needs, physical or emotional nature, so there's a lot of help out there.

KING: The late Bob Constantine, the writer, once wrote, "I have four children. Two are adopted. I forget which two."

CLINTON: Yes.

KING: Has society accepted this more?

CLINTON: I think so. And I know that as I travel around New York, I meet so many people who are products of the foster care system themselves, who are adopted, who are adoptive parents.

You know, I was just yesterday at Central High School out on Long Island, and I was having a town hall meeting at the high school about education. We talked about everything -- you know, overcrowding, and qualified teachers and the kinds of courses kids have to take, and then a young man stood up, and he said he was in the foster care system, and he wanted to know what would happen to him when he graduated from high school, and I was so pleased I could tell him that we changed the law last session of Congress. It was a bipartisan effort, so that we could continue to provide support services.

You know, it used to be, Larry, that when a child aged out of foster care, either on his 18th birthday or when he graduated from high school, whichever came first, there would be literally a knock on the door of his foster home or his group home, and there would be somebody standing there with a big old black garbage bag, and the kid would be told to put

his belongings in it because he was moving. Well, we've now changed that, and I want to thank people on both sides of the aisle. You know, we have brought together some unlikely allies. I worked with the late John Chafee, a wonderful man who was very devoted to kids, and in the House, I worked with Tom DeLay, who doesn't have the same views on a lot of things I do, but cares about foster kids and adoption. So I think there's a growing public awareness and acceptance, and there is now more support for people willing to adopt. And I really hope that we can increase the number of children adopted. We set a goal. We're trying to reach that goal, of doubling and then tripling the number of children adopted out of our American public system by the year 2002.

KING: One other thing, Hillary, do minorities have a tougher time being adopted?

HILLARY: Well, you know, it's interesting, because there are a lot of informal adoptions in the minority communities, particularly African-Americans, who have always taken in children of cousins, or grandchildren or people in some kinship relationship. I would like to see us do more to support that kind of guardianship and custody arrangement rather than having a child be put into the foster care system. If we can keep that child in some system of relatives or kinship, I think it would be better.

And the other point I wanted to make is that yesterday, after this young man stood up at the high school, another young man stood up and said that his mother had been a foster mother for years, and it got so difficult, and the kind of compensation available was so inadequate for what is truly a 24-hour-a-day job, being a mother. I'd like to see us give more respect to the people who do a good job of fostering children, as well as helping more people understand what adoption could mean in their lives as well.

KING: Thanks, Hillary. Thanks so much. I'll send your best to the rest of the panel as they join us.

HILLARY: Thank you. Thank you so much, Larry.

KING: I'll see a lot of you on the trail.

HILLARY: I'll look forward to it.

KING: Hillary Clinton, the first lady of the United States.

Our panel of Marie Osmond, Valerie Harper, Donna Mills, Nell Carter, Dave Thomas and the director of his foundation joins us right after this.

NEWS BRIEFING ON MEDICATING CHILDREN WITH EMOTIONAL AND BEHAVIORAL PROBLEMS, 3/20/2000

LOCATION: WASHINGTON, D.C.

**HILLARY RODHAM CLINTON DELIVERS REMARKS ON MEDICATING CHILDREN WITH
EMOTIONAL AND BEHAVIORAL CONDITIONS**

MARCH 20, 2000

CLINTON: Thank you all for joining us here this morning and I want to thank Secretary Shalala for her leadership and I'm also pleased she refuses to sit still...

(LAUGHTER)

... because whenever our children's health is at stake, she's out there, working very hard to make sure that we all pay attention.

I also am pleased to be joined not only by Secretary Shalala but by Surgeon General David Satcher and FDA Director Jane Haney and NIMH commissioner Dr. Steve Himan (ph), and Dr. Judith Human (ph), representatives from many of the groups who are on the front-lines working on behalf of all of our children and particularly children with behavioral and emotional challenges.

We just came from a meeting where we talked about what more we can do to ensure that children with emotional and behavioral problems get the diagnosis and treatment they need and when they need it.

CLINTON: Today's meeting and the announcements around it are important steps, but they're certainly not the last step that we need to take in meeting the goal of ensuring that all of our children get the help, and support and treatment that they deserve.

You know, when a child comes to us who is hurt or sick, there is nothing more terrifying for any of us, especially parents, when we don't know how to make it better. If they have a broken arm, we want to fix it. If they have a deadly disease, we want to do everything we possibly can to cure it. And it's no different if the problem they bring to lies in their head or their heart.

CLINTON: Thanks in large part to the leadership of Tipper Gore, the president's mental health adviser, we've come a long way in our battle to bring mental illness out of the shadows and make sure it is treated just as seriously as physical illness. More and more often, those treatments include drugs, and even for young children. And that is the issue we are here today to discuss.

As many of you know, the Journal of the American Medical Association recently reported that the number of preschools who are taking psychotropic drugs increased dramatically from 1991 to 1995. We know that the increase for Ritalin alone was 150 percent, and the use of antidepressants increased over 200 percent.

Now I am no doctor, as is obvious, but I am a parent and I have been a long time children's advocate, and these findings concern me. And I know that they concern Dr. Hime (ph) and Secretary Shalala, and countless other experts.

But let me be very clear, we are not here to bash the use of these medications. They have literally been a God-send for countless adults and young people with behavioral and emotional problems. We know that when children with such problems are left untreated, they may fail to reach their full God-given potential later in their lives.

CLINTON: That's we are here. We want the best information for every parent, every doctor, every teacher, every single person who cares for our children.

But we do have to ask some serious questions about the use of prescription drugs in all children. We have to ask, for example, how are we diagnosing, treating and caring for children with behavioral and emotional conditions. Do we have the best tools to make the most accurate diagnoses?

When it comes to drug treatments for children, why are we seeing such great variations by community and race? And what effects do over-use and under-use of these medications have on our children?

We need to ask also: Why aren't we doing a better job of combining drugs when necessary with family therapy and other behavior modifications? And what about the effects on our very youngest children who haven't been tested for these prescription drugs and whose brains are in their most critical stage of development?

These are tough questions, and none of us have all the answers.

But as we made clear in the meeting this morning, we are building on a record, not starting from scratch. We have already taken critical steps over the past few years to ensure that drugs are being tested and labeled specifically for children. Some of you may remember, that was a long, drawn-out struggle that we were finally able to make progress and were able to make an announcement here at the White House last year.

In so doing, we have learned that finding the right prescription for a child is not always just a matter of decreasing the dosage.

You know, I think it's important that all of us as adults recognize that children are not just miniature adults, that their systems, their developmental needs, are different from that of an adult.

CLINTON: We also learned quite a bit from the first-ever surgeon general's report on mental illness, which came out in December; it grew out of the White House conference on mental illness lead by Tipper Gore. And it taught us that the stigma of mental illness is often worse for children; that too many health care professionals lack training in the area of children's mental, emotional, and behavioral needs; and that we have a long way to go to increase awareness about children's mental health.

So clearly we must do more. We know the questions being raised are very difficult, and they cannot be answered overnight. And they certainly won't be answered by the government or health care professionals or educators or parents acting alone. Every single person with a stake in our children's health has an important role to play.

So I'm very pleased today to announce some of the immediate steps we are taking to make sure that children with mental illness, with emotional and behavioral problems, get the right care at the right time.

As our meeting made clear, we already know a lot about the proper diagnosis and treatment of emotional and behavioral problems in children. But that critical information has not reached many of the people who need it most: Many of the parents, many of the teachers,

many of the school nurses, many of the school's social workers, many of the family physicians, many of the pediatricians. So there are a few things that we're going to do to try to change that.

Today the NIMH is releasing a new easy to understand fact sheet that parents can use to make the right decisions about their children's treatment for these conditions. The Education Department will soon release a information kit to help parents and teachers better care for children with ADHD. And I want to thank both the American Academy of Pediatrics and the American Academy of Family Physicians for all they are doing on this issue.

This spring and fall, the American Academy of Pediatrics will give all of their 55,000 members up-to-date guidelines for diagnosing and treating children with emotional and behavioral problems.

CLINTON: And as part of their year-long focus on mental health, the American Academy of Family Physicians is sponsoring continuing education courses about these conditions for their 90,000 members.

But now we also have to admit, honestly, that there are some areas where we still just don't know enough. And that's especially true when it comes to giving prescription drugs to our very youngest children. I am pleased that NIMH will dedicate over \$5 million to conduct a landmark study examining ADHD and Ritalin use in pre- schoolers.

This study will look at the gap between what we are finding out in the science labs and what is happening in clinical practice so we can ensure that our children get the care they need.

In addition, the FDA will look at some common psychotropic drugs and begin a process to find out what dosage levels are appropriate for very young children. This information will then be included on the labels of these medications. And the studies on them will address the obvious ethical issues that arise when you examine the use of prescription drugs in such a vulnerable group.

Finally, I am delighted that this fall the office of the surgeon general will coordinate a national conference for the treatment of children with behavioral and mental disorders. It will bring together experts from the administration, parents, advocates, educators, researchers, health care professionals and consumers.

It will look at the challenges we are all still facing in caring for children with mental illnesses. And it will help us develop long- term strategies that each of us can use to help young people get the childhoods and chance in life they all deserve.

I remember, as we were talking today, that I was fortunate more than 30 years ago to work at the Yale Child Study Center, one of the premiere research institutions in our country when it comes to treating young children.

And I was exposed to some of the greatest minds and experts in the country about how to treat very young children.

CLINTON: And there is nothing more challenging and in many ways heartbreaking than a preschooler with obvious mental, emotional and behavioral problems. That child cannot

Speak for him or herself. It's often difficult to find out what kind of conditions in the child's life led to -- if there was a cause and effect -- the kind of behavior that is being observed.

So I know firsthand from 30 years of work on my own behalf, and watching experts who really are on the front-lines of this, that this is a very big challenge we're taking on today.

But I'm also concerned that we are seeing increasing numbers of children who are both being diagnosed with certain disorders and whose behaviors are crying out for helpful intervention.

We spoke earlier today in our meeting about the increasing number of very young children in foster care. The fastest growing group of children being put into foster care are children under five. They come into foster care because of abuse or neglect and they therefore have more than the kinds of problems that one would expect in the population at large.

We talked about the increasing numbers of children who are in the juvenile justice and criminal justice systems. We are not doing what we need to do to help intervene and treat those children, just as we are not providing adequate medical and mental health services in our adult prisons.

These are problems that affect all of society, not just the individual with the specific problem or that individual's family or those teachers and others who come into contact with that young person. This has ramifications for all of us.

All we need to do is look back a few weeks and think about the 6-year-old who brought the gun to school to kill the other 6-year-old. That is a problem that did not just occur on the morning that child picked that gun up off that bed in that terrible condition in which he was living.

So all of us have a stake in the research, the diagnosis and the treatment.

CLINTON: And I would also add that we need some other people at the table, and we're going to try to do that through Dr. Satcher's efforts and the efforts of the associations represented here.

We need to be sure that the insurance industry, the HMO industry, the pharmaceutical industry, as well as decision-makers at all levels of government, are also at the table.

We do have a lot of information about what works. We need more, and that's what this meeting and these announcements are about. But we should at least be trying to implement what we do know works while we look for more answers and follow up on the efforts that will be underway.

You know, when a child is sad or misbehaving, it is never easy for even the most well-intentioned, best-meaning parent to figure out what is happening. Anyone who's ever had a child who is pre-verbal with any kind of illness or a toddler or a preschooler knows how difficult it is.

Some of these young people have problems that are symptoms of nothing more than childhood or adolescence. Some of them need a parent to love them or persons simply to listen to them talk about their pain.

And yet some do have severe emotional and behavioral problems that can be greatly helped by prescription drugs. These children are waiting for our help, every one of them, and today we are taking important steps to provide it.

It is my great hope that this meeting will move us closer to the day when we are able, number one, to remove the stigma from these problems so that no parent or no community has to wonder whether this is something that should be talked about or help should be sought for; and number two, that we will treat the problems of the body and the mind the very same.

So I hope that all of us will see this as a beginning and that we will be even more committed to doing whatever it takes to make sure that all of our children get the help, support and love that they need to have.

Thank you all very much.

(APPLAUSE)

(CROSSTALK)

CLINTON: Thank you all. Thank you so much.

QUESTION: Mrs. Clinton, you mentioned the six-year-old child -- that the NRA for the second time in a week has accused the president's policy of being responsible for a death. What's your response to that?

CLINTON: Today I want to talk about what we can do positively. And I think that the worse that can come out of this meeting could be a very good deterrence and prevention strategy to avoid problems that are very complex. But certainly, the easy, ready access to guns makes emotional and behavioral problems, that might have been fought on a playground or been manifest by verbal arguments, much more deadly and dangerous. And everyone, everyone, has an obligation to do anything we can to keep our children safe.

Thanks very much.

(APPLAUSE)

END

DNC Dinner, 4/24/2000

REMARKS BY PRESIDENT CLINTON, VICE PRESIDENT GORE, FIRST LADY HILLARY CLINTON AND TIPPER GORE AT DNC DINNER

**LOCATION: NEW YORK SHERATON HOTEL, NEW YORK, NEW YORK TIME: 8:53 P.M.
EDT DATE: MONDAY, APRIL 24, 2000**

SECTION: WHITE HOUSE BRIEFING

MRS. GORE: Thank you, all. Hello, everybody. Please be seated. I want to thank you for that very warm welcome, Mayor Rendell, and for your very spirited and dedicated and strong leadership that's so effective for our Party. I know all of us appreciate that, the time and the commitment that you give to us.

And what a great night for the Democratic Party. What a great night. It's fantastic. (Applause.) I am proud to be sharing the stage, too, with one of our Party's greatest Presidents ever and two of its very finest candidates. What a pleasure for me. It's fantastic. (Applause.)

I also see so many friends in the room, and I want to thank each and every one of you for being such very good friends to Al and to me. And I think all of us here recognize that this election is going to be very tough and it's going to be very important in our nation's history. And it's going to determine the kind of nation that we are going to leave to our children and to our grandchildren.

And I know that you would agree with me that it's one of the great reasons why it's important for us to remind our neighbors and friends and other people who are interested that politics is personal, and that it really does matter who we all elect to the State House and to the White House, and it's going to make a very real difference in each of our houses.

And I think that's a message that all of us are very determined to take to other people, and to continue to open the doors in the Democratic Party to all those who share that vision and those values. And we have to remind people that it is the Democratic Party, truly, that is the party of the people, that makes the government work for the people. That's the value, the core value of our party and that's a key distinction, and I know it's one that we're all very proud of.

And now it is my great pleasure to introduce to you a woman who embodies all the very best values in the Democratic Party. We know her as someone who works absolutely tirelessly to open the doors of opportunity to women here in America and, in fact, all around the world. And she knows how to turn her rock-solid values into a commitment that can serve people in their everyday lives. And she knows, as well, how to achieve results.

She is a very dedicated and a very determined leader, and I am proud to welcome her as a close, personal friend and someone who I know that all of you are proud of as our great First Lady and a wonderful candidate for the Senate.

Ladies and gentlemen, my friend, **Hillary Rodham Clinton**. (Applause.)

MRS. CLINTON: Well, thank you all. And thank you, Tipper. I'm delighted that all four of us -- Tipper and Bill and Al and I -- could be here to be part of this very successful event for the DNC in the Empire State, where we have so many people who have demonstrated their commitment to the Democratic Party, and to its principles. And I'm delighted to be here to thank all of you for your support over the last seven, eight years now, and thank you for your continuing commitment and support.

You know, I know Tipper so well, and am so proud of her, and I can only echo what Ed Rendell said. And that is that she's going to be a superb person in the White House to carry on so many of the important issues that she has championed her entire life. From homelessness -- (applause) -- from her advocacy on behalf of the homeless, the children, to those with mental illness, who deserve to be treated the same as a person with any kind of illness, and she sends a brave and courageous voice for that position. (Applause.)

I want to thank Ed for his leadership of the party. He's done a fabulous job. (Applause.) And he's one of my favorite mayors, and I'm so grateful for the leadership that he has demonstrated in the position that he formerly held.

And I want to thank Tony Bennett for coming and entertaining us as well this evening. (Applause.)

This is a very special night for all of us, because Bill and I have been a little bit nostalgic today. We did the last Easter Egg Roll on the White House Lawn, and that's the eighth and last one for us. And we spent some time sort of thinking about everything that has happened since 1992. And one of the greatest gifts that we've had is the friendship and relationship with Al and Tipper Gore.

And it was a relationship that began when Bill asked Al to join the ticket and the four of us first met together. And I can remember some of those early times when we were getting to know each other, on a bus trip that took us throughout so many of the states that we were campaigning in with such joy and excitement about the future.

And I think all of us made those speeches in 1992, standing on flatbed trucks and in the doorway of a bus or in front of a building somewhere, in a field with a farmer. And we kept saying -- and Bill and Al said over and over again, we can turn this country around, we can demonstrate what it means to lead again; America can assume its position of prominence in the economy and the political and military leadership of the world, we just have to make some tough choices.

Many of you took that position that Bill and Al embodied, which was really the new Democratic Party, you took it on faith. You knew that we had to make some serious changes. You had seen the deficits building, you had seen how they squeezed out private capital, you saw our social conditions deteriorating. And you said, no, we're going to make a change. And New York was such a great, supportive state for the policies that the Clinton-Gore administration proposed.

Now, we can look back and say that that investment you made in 1992 -- and then you even upped your investment in 1996, because New York gave the greatest margin of victory to the Clinton-Gore ticket. That investment was one of the best investments that New York and New Yorkers and America has ever made. Because we are today -- (applause) we are today a stronger and better country than we were in 1992 -- (applause) --and I know that all of us in this room recognize it would not have been possible without the leadership and the tough decisions that were made from the very top by the President and the Vice President. I'm very proud of the record of this administration; and the results speak for themselves.

And many of you have been not only stalwart supporters, but you've been missionaries, in effect, talking to friends and neighbors and colleagues about what it now means to be a

Democrat -- a Democrat who believes in balanced budgets, a Democrat who believes in using the surplus to pay down the national debt, a Democrat who believes in providing the tools that are needed to mayors and governors and others to bring down the crime and welfare rates. A Democrat who understands that we have to remain committed to public education, that we have to continue to work for the day when every child has access to a first- class public education in this state and throughout our country. (Applause.)

You know how important it is that we continue to work toward the day when we do provide quality, affordable health care to every New Yorker and every American. (Applause.) You know what the positive agenda of this Democratic administration has been. You have supported it. You have spoken out for it. You have contributed to the DNC and to the Democratic campaign, so that this message could get out and the work could be done.

Because now we no longer have to ask you to take it on faith. You've seen the evidence, you know what the results of these kinds of policies are, and how critical it is that we elect Democrats -- starting with Al Gore, but going right through the House and the Senate. If we are able to take back the House and the Senate, we can continue the policies that have worked so well for America. (Applause.) Now, with so many Democratic New Yorkers in the House, I just have to say one special word about how important it is that we elect a Democrat to succeed Daniel Patrick Moynihan in the United States Senate. (Applause.) And just remember these three brief reasons why it's important we do that.

Number one, we do not need any more Republicans in the United States Senate, we have too many as it is. (Applause.) They have stood in the way of the progress that has been made and we have to continue to stand up to them and their agenda, that would be so counterproductive and send us in a u-turn back to the 1980s, with exploding deficits and disinvestment.

Number two, there are very big differences between Republicans and Democrats in this state and elsewhere. If we want to continue the fiscal policies that have worked, we need a Democrat in the Senate. If we want to support public education, we need a Democrat in the Senate. If we want to guarantee a woman's right to choose, we need a Democrat in the Senate. (Applause.)

And you all know that in order to get anything done in the Senate, it takes teamwork. It takes people who are willing to work together to get something accomplished for their state and the people they represent. And if you go to the Senate and you disagree with a fellow senator -- you can ask the Vice President, he was there working so hard and effectively for all those years -- you can't sue or fire your colleague, you have to get along with them and keep working with them to get things done for the people you represent. (Applause.)

So there are many reasons why we should celebrate tonight. But we cannot rest until we make sure that we put Al Gore in the White House, we do everything we can to put Democrats in the majority in the House and in the Senate.

Now, none of this would be possible this evening, we could not have raised the money that's been raised, the report that Ed gave about how well we're doing, if this administration had not kept faith with you, had not demonstrated how worthy your investment in Bill Clinton and Al Gore was.

And none of that would have been possible if we hadn't elected someone to be President who understood where the country needed to go, who had the commitment to making the tough political decisions that would really make it possible for us to be enjoying and celebrating this moment, and I am very proud that this administration has such a record of accomplishment.

And it's my great honor, and personal privilege, to introduce the person who really has made it all possible, the President of the United States, Bill Clinton. (Applause.)

"CNN Live Event/Special," CNN, 4/26/2000

WOLF BLITZER, HOST: She's the first lady of the United States.

(BEGIN VIDEO CLIP)

HILLARY RODHAM CLINTON (D), NEW YORK SENATE CANDIDATE: We do not need anymore Republicans in the United States Senate. We have too many as it is.

(END VIDEO CLIP)

BLITZER: He's the mayor of New York City.

(BEGIN VIDEO CLIP)

MAYOR RUDY GIULIANI (R), NEW YORK: I think I've turned the city in the direction that you agree with, and I'm going to be doing that same thing for the state of New York.

(END VIDEO CLIP)

BLITZER: Short of a presidential race, their battle for the United States Senate may be the most watched political contest in U.S. history.

Tonight, the first nationally televised town meeting of the New York Senate race: **Hillary Rodham Clinton** faces the voters of New York.

ANNOUNCER: Live from the University of Buffalo, "The New York Senate Race: A LATE EDITION Town Meeting." Now, here's CNN's Wolf Blitzer.

BLITZER: Good evening and welcome to this town meeting, sponsored by CNN and the University of Buffalo.

We're here in the Katharine Cornell Theater on the university campus. This is the first of two town meeting we're planning in New York. Republican candidate Rudy Giuliani has agreed to participate in a similar meeting down the road.

Our audience tonight is made up of students, faculty and staff members of the university, as well as other residents of the greater Buffalo area. All are registered New York state voters.

Ms. Clinton, welcome to my alma mater and my hometown of Buffalo, New York.

CLINTON: I'm glad to be here with you.

BLITZER: We're very excited that you're here.

Mrs. Clinton, I'm going to open the meeting up to questions from the floor in a second, but let me ask you a few questions directly.

A lot of New Yorkers are still not convinced that you are a New Yorker. Many of them still see you as someone who is coming in from the outside -- a carpetbagger, if you will -- someone who really is primarily seeking to advance your own personal agenda, political ambitions.

What makes you -- how can you convince New Yorkers that you really are one of them?

CLINTON: Well, you know, Wolf, for more than 30 years I've worked on issues concerning children and families and trying to improve education and expand health care, and those are the concerns of my lifetime. And as I've visited with now thousands of New Yorkers, those are the concerns that people talk to me about. And I'd like to take those concerns and the work that I've done and the passion I feel about them to the Senate and work on behalf of the children and families of New York.

To me, it's a commitment to continue a life's work and to put it to work for people who I think are concerned about the same matters that most of us worry about: the kind of futures we're going to have, especially for our children.

BLITZER: And if you don't win this race, will you stay in New York state?

CLINTON: Oh, absolutely. You know, I had planned on living in New York after the White House years. Bill and I talked about that, because for me it's always been something that I've wanted to do.

Now, I didn't think I'd be running for the Senate when I first started thinking about it. But when I was invited to consider it and when I talked to so many New Yorkers and really thought that if New Yorkers wanted me to, I would work my heart out for them, and I intend to make this my home.

BLITZER: Let's talk a little bit about an issue that is in the news right now, the Elian Gonzalez case. You've always been an advocate of children, yet this child -- and a lot of Cuban-Americans firmly believe this in their heart and many other Americans believe it as well -- this child if forced to go back to Cuba, this 6-year-old, will forever be a pawn, if you will, of Fidel Castro, a propaganda tool, sit on Fidel Castro's lap. He will never have a normal life in Cuba.

Is this what you want for this little boy?

CLINTON: Well, you know, Wolf, I have ever since I was in law school been a children's advocate. I have represented children. I've worked on behalf of child abuse and neglect cases, and tried to reform the foster care and adoption systems. And I approach this primarily as a mother and as a child advocate, and I try to keep my thoughts on what is best for this little boy.

And I know these are very tough issues for a lot of people to think about. I don't have any liking for Fidel Castro or for the Cuban government. I deplore their denial of human rights and the mistreatment of so many people who have fled in order to find freedom in our country.

But on the balance, I think this child belongs with his remaining parent. I think that that is what is in his best interests. And I hope that this reunited family can really work to make sure that he overcomes the trauma of losing his mother, the incredible media circus that he's been part of for the last five months, the political exploitation he's been subjected to by people on all sides of the political spectrum.

I think he deserves the chance to be with his father, and I hope that, you know, we can make the right decision for him as expeditiously as possible.

BLITZER: Would it be appropriate for you, for the president to encourage Juan Miguel Gonzalez, his father, to remain in the United States with Elian?

CLINTON: Well, of course, I think that that's his decision to make. I believe if he were to express such an interest, he's got lawyers and others who represent him who meet with him. Certainly, if that were to come to the attention, I know that people would be more than happy to accommodate that.

But I think that we have to let it be his decision. And I hope that this taste of freedom and the opportunity to be with his son and to have this time perhaps would lead to that. But at the end of the day, this has to be the father's decision, just as we would want it to be your decision, you know, if heaven forbid, something, you know, were to happen and you had been in some way deprived of your child.

And I just think we have to respect the family bonds and we have to do more than give lip service to family values. We have to value families even if those families may live under a regime that we don't value. We have to keep that family bond first and foremost, because I think that's what's in the best interests of most children.

BLITZER: I'm going to a question from the audience in a moment, but on the tactics that were used, the heavily armed force that went in Saturday morning to seize Elian -- we've all seen that very dramatic picture, Elian in the closet -- he looks terrorized by what is going on. Can you condone that kind of tactic?

CLINTON: Well, I think everyone would agree that it was unfortunate that that kind of activity had to take place, but I understand the concern and frustration of the Justice Department and the attorney general when faced with continuing recalcitrance and opposition to obeying the rule of law, to turning the boy over to the custody of his father, especially when there were court orders and an agreement that they would not leave the country. So it was, I think, on everyone's mind regrettable, but I understand the necessity for it.

You know, at a certain point the rule of law and the rights of a parent to his natural child, who is not in any way proven unfit, have to be respected. So of course, we wish that it hadn't have happened. We wish that the relatives in Miami had cooperated and turned the boy over voluntarily.

BLITZER: All right. Let's take a question from the audience. Please mention your name and your home town.

QUESTION: My name is Jill (UNINTELLIGIBLE). I grew up in Buffalo, New York.

I'm concerned about the fact that young people feel they need to leave Western New York in order to find good jobs, and I was wondering if you might have some ideas about how to reverse that trend.

CLINTON: I'm concerned about that too, and I have given a lot of thought to it and I've talked with so many people here in Western New York, and I have some ideas about it, because I think that we have to look at the obstacles to economic growth here in upstate New York, particularly in Western New York, and we have to attack those obstacles. And then we also have to look at the opportunities.

And let me start with the obstacles, because there are reasons why we haven't been able to keep and attract businesses and grow the economy here the way that we should. We have a very high rate of state and local taxes. You know, the state and local tax burden on those of us who live in New York is the second-highest in the entire country. We have among the highest utility and power costs in the entire country.

I've been in businesses here in Western New York, in manufacturing facilities as well as other businesses, that have told me that they could move across the state line to Ohio or Pennsylvania and cut their utility costs by a third to a half.

And we also do not have adequate transportation, either road transportation, or airfares are too high, so we don't have adequate airport transportation. So those are some of the obstacles that I would like to work on.

Now I can't directory as a senator deal with the high state and local taxation, but as a citizen I'm concerned about it. But as a senator, I would fight to make sure that New York got its fair share of federal dollars, which would us bring more money back to the state, which now sends \$15 billion more to Washington than we get back, in order to lower those taxes.

And I would also fight very hard to make sure when we deregulate electricity, which is working its way thought the Congress, it's done in a way that does not disadvantage Western New York. And I would also work to make sure that we have better transportation, whether it's, you know, 219 I-86, some the routes that are important for moving goods and services.

But I think there are also opportunities...

BLITZER: Mrs. Clinton, if I could interrupt for a second, because we don't have a whole lot of time. But one issue that you would be able to deal with if you were a United States senator, federal taxes.

CLINTON: Right.

BLITZER: Your opponent, Rudy Giuliani, the Republicans by and large want to cut back, want to reduce federal taxes across the board by a lot more. Now, during a time of affluence, when the economy is strong right now, why not give the American people, the people of

New York state, people here in Western New York more of their money that they give to Washington? Why not reduce significantly the tax burden at this point?

CLINTON: Well, I favor middle class targeted tax cuts. I favor easing the marriage penalty. I think we should promote marriage, not penalize it. I favor making college tuition tax deductible so that more families can afford to send their children to a wonderful university like this. I favor long-term tax credit for care that people give to their loved ones who they take in and care for in their homes.

So I think that we can afford the kind of middle class targeted tax cuts that would make a difference. But I do not believe it is in our interests as a country to go back to the days of exploding deficits with the kind of very large, across-the-board tax cuts that my opponent and the presidential candidate on the Republican side advocate.

I would rather see us continue the policy of fiscal discipline and responsibility that brought us to this point, and to use the surpluses that we have built up to do several things: to deal with Social Security and to pay down the debt, to add a prescription drug benefit to Medicare, to provide the middle class targeted tax cuts, which we can afford, to expand coverage for health care for people. And I would take the entire Social Security surplus, and to use it to pay down the national debt, and to reform and modernize and strengthen Social Security, to extend its lifetime. And I would take the non- Social Security surplus and use about 40 percent of it to similarly pay down the debt, and the remainder to put that prescription drug benefit on Medicare, do the targeted tax cuts, and do some of the other investments we need.

I think that's a stronger policy for the future, and that's what I would support.

BLITZER: Hillary Clinton, sounding very much on the tax cut issue like Bill Clinton, but on some other issues you don't necessarily agree. But we will have a chance to do a lot more. Our LATE EDITION town meeting from the University of Buffalo will be right back.

(COMMERCIAL BREAK)

BLITZER: Welcome back to our special LATE EDITION town meeting from the University of Buffalo with the U.S. Senate candidate **Hillary Rodham Clinton**.

Let's take a question from the audience. Go ahead please.

QUESTION: (OFF-MIKE) in New York. Mrs. Clinton, if you're elected senator, can you promise the New York voters that you will not run for presidency in 2004?

CLINTON: Yes.

(LAUGHTER)

Yes, and I have said that I want to be the very best senator I can be. You know, I have a lot of plans that I'd like to work on with people throughout the state. I do have an economic plan that I particularly want to work on that would, I hope, help bring the new technology economy here, because as a student here you know that this university is one of the most wired universities in the entire country. And yet the city of Buffalo is one of the least

Internet- connected cities of our big cities, so that a lot of the graduates from the university have to go elsewhere to get the jobs that really they're equipped to take.

So I'd like to work as hard as I can over the next six years as senator to really make sure that we get the new economy, and we get the right mix of jobs and skills, that we provide federal financing to expand broadband access, and we make it possible to ensure that we've got technology expertise available to businesses so that we really do create jobs here that you and your classmates can take to stay right here. And that's going to be a big effort that I'm going undertake, and that is going to be my primary focus: the economy when I'm a senator.

BLITZER: And so you're making a firm commitment that even if there's a Republican president in the White House in 2004 that there is no circumstance whatsoever, under any circumstance, would you not serve...

(LAUGHTER)

... would you not serve your six-year term as senator?

CLINTON: I am going to serve my six-year term as senator. I owe it to the people of New York. I'm working hard to earn the trust and the votes of New Yorkers. And I want to help make things in the state. That's really what motivates me.

You know, I've been involved in public service for more than 30 years. I've never run for office before. But what I'd like to do is to bring people together to solve problems.

And I know that the upstate economy and the economy in Western New York, that we can make the changes together, the public and private sector, everybody working to do what needs to be done. I've seen that. When I was here on February 7th, I met three young graduates of this university who started a dot.com company. And they went from their three selves to employing about 65 people.

They had \$60,000-a-year jobs they couldn't fill because we don't have the emphasis on matching the skills with the jobs, and keeping people who graduate from this university and others here. I want to be somebody who helps make that happen.

BLITZER: All right. Let's take another question from the audience.

QUESTION: Good evening, Mrs. Clinton. I'm Judge Frank Caruso (ph) from the town of Tonawanda, and my question is, with the number of school shootings that have happening across the country, and most recently the shooting at the National Zoo, how would you address the issue of teen violence in our country?

CLINTON: Well, judge, I think there are several things we have to do, and I hear from parents and students all over the state about their fears and concerns about gun violence. And you know, it's really well-placed, because we lose about 13 children a day to gun violence, accidental or deliberate.

I think we have to do more to keep guns out of the hands of children and criminals and people who are unable to exercise responsibility. That's why I support the sensible gun

safety measures that have been before the Congress now, but the Republican leadership will not take them up.

I think we can have sensible gun safety measures without infringing on the rights of, you know, responsible citizens, and I think we have to do more to do the background checks, and to license and register those handguns so that we try to get hold of them.

I also think we should have a national buyback program to try to sweep up as many guns as we possibly can.

But I don't think that guns are the only reason that we've got more violence in our country than most other civilized societies do anywhere in the world.

Certainly, the access to guns turns, you know, what used to be arguments on the playground sometimes into deadly gun fights, and that is a real problem for us. But I also think we have to look hard at whether we are providing the kinds of support and services that children who are depressed or who have other kinds of emotional or behavioral problems need. We're not taking seriously enough some of the cries for help and attention that kids give. If you look at some of the school shooters, they said things that should have been a big light flashing for all of us. They said that they wanted to kill somebody, they wanted to kill themselves. We as parents, as teachers, as judges, as police officers, we have to be very alert and we have to have more services to try to intervene and prevent a child's problems from becoming violent. I also think that we have to do more to provide family support and good values. You know, a family is a child's first school, a child's first teachers are the parents, and we have to help our children learn how to control themselves and to empathize with one another. That should start in the home, but I think there are some programs that I've seen in schools around the state that would work also, having conflict resolution and mediation to try to help youngsters deal with their problems besides resorting to violence.

And finally, I just think that parents have to exercise a lot of parental authority over the kinds of media that their children watch at young ages. I just don't think that it's good for our children to see so much violence as a steady diet, and every time I say this it's inevitable that, you know, somebody about the age of my daughter says, well, you know, I play those games, I watch those movies, I don't do anything. I say, yes, but, you know, there are many children who are vulnerable to that. We don't know all the reasons why some are vulnerable. It might be genetic or temperamental or family break-up, whatever it might be.

So we have to try to play the odds and more parents and adults have to try to provide alternatives to children besides the steady diet of violence. So there are many things we should work on, all of which I would try to work on in the Senate.

BLITZER: All right, Mrs. Clinton, let's take another question. On that gun issue, though, let me just point out one thing, when it comes to gun control you and Rudy Giuliani don't really disagree, he supports significant gun control, too.

CLINTON: Yes.

BLITZER: There isn't a whole lot of space like that.

CLINTON: There -- that is right.

BLITZER: OK, let's take another question.

QUESTION: Hi, my name is Rob Grilo (ph). I was wondering why would you make more gun laws if the ones we have now aren't being enforced?

CLINTON: Well, you know, we have increased enforcement by, I think, about 30 percent, but we have to do more and we have to do better. And I agree that we have to do everything within our power to enforce those gun laws and to send a very clear signal to anyone that committing a crime with a gun is going to carry a heavier penalty.

I would support putting more resources into our federal system so that we can hire more assistant U.S. attorneys in order to be able to prosecute at the federal level as many gun cases as we can, and I really applaud the efforts to work that are starting out here in Buffalo so that we've got even better cooperation between the federal authorities and the state and local and state authorities. So I agree, we've increased it, but it needs to be even more than it is.

BLITZER: All right, let's take another question, please, go ahead.

QUESTION: My name is Aaron Libere (ph) from New York City. How do you feel about the police situation in New York City and what do you think needs to be done to change that?

CLINTON: Well, I have spoken out about this, and I am very troubled and concerned about recent events because I -- you know, I am a very strong supporter of law enforcement. For the last, I guess, 17 or so years I have basically lived with a lot of professional law enforcement officers who have been assigned to my husband and myself.

I've had a lot of experience with local and state police officers here in New York who have been exceptionally helpful to me, and I think it's a very tough job that we have to respect those who carry it out. What I regret is that in New York City we've seen a false choice being posed to people. I don't think we should have to choose between effective policing and mutual respect between our police and our communities.

Therefore, I believe we have to do more to support our police and to make it clear that they have a job to do that we want them to do, but we also have to provide more and better training. We have to provide more supervision and monitoring for those young police officers, because we've added lots of police officers. You know, about 6,000 of the police officers in New York City are paid for with the federal funds that came from the anti-crime legislation passed in 1994 to put 100,000 more police on the street.

Well, we need now, I think, to provide more training and support so that those police officers who we ask to do this job are really fully prepared to do it. But we also have to ask the police to show respect toward the vast majority of people who are law abiding citizens and I don't think that some of the tactics that have been used recently in the city are really going to create the kind of community support for the police that most police officers I know want.

So I reject this false choice that has been posed. I do not think we have to choose between continuing to lower crime, which is in everyone's interest, and creating good relations between our police and the communities. And we've seen how it can happen in other cities and I'd like to work to make sure it happens in every city in New York.

BLITZER: Mrs. Clinton, I'm the time cop here. Unfortunately, I have the duty of telling everyone that we have to take another commercial break.

We have a lot more to talk about with Mrs. Clinton.

Stay with us.

(COMMERCIAL BREAK)

BLITZER: Welcome back to our LATE EDITION town meeting from the State University of New York at Buffalo with the U.S. Senate candidate, the Democratic candidate **Hillary Rodham Clinton**. I take it there are no other Democrat candidates running for this Senate seat.

Mrs. Clinton, there is -- polls show this is a very, very close race, Zogby Poll this month showed Giuliani 45 percent, Clinton -- that would be you -- 44 percent. But look at this, in a new poll that just came out just today, it shows that Mayor Giuliani has 52 percent of the upstate vote, while you only have 38 percent of the upstate vote. We are here in upstate.

Why are you having such a hard time winning support among upstaters?

CLINTON: Well, you know, Wolf, upstate New York is historically a very Republican area -- not Buffalo and Erie County, but most of upstate New York -- and I feel pretty good about the progress we're making. You know, I'm spending a lot of time. I've, as of today, been in 56 of the 62 counties. By tomorrow, I will have been in 58 and I intend to visit all 62 in the next couple of weeks.

And what I'm finding is that the people I'm talking to -- you know, this morning I started out on a dairy farm talking to a lot of dairy farmers and other farmers in Wyoming County and in western New York, and you know, they're traditionally Republican, but they're listening to my views on the issues, they're asking a lot of good questions. And I'm just going to work as hard as I can to persuade voters in upstate, Democrat, Republican, independent, everyone that I will work very hard to help the people here and I want to represent the entire state and everybody in it.

BLITZER: All right, here's one of those upstate voters, go ahead.

QUESTION: Mrs. Clinton, my name is Pat Radle (ph) and I'm a first year student at U.B. Law School. Senator Moynihan has twice voted in favor of banning partial-birth abortions. In fact, he's called the procedure practically infanticide. Do you agree with Senator Moynihan?

CLINTON: You know, I have always been a very strong pro-choice advocate. I believe that a woman's right to choose is protected by our Constitution. I have also said that there is a way, and the president and the Democratic leadership in Congress have proposed a piece of legislation that would ban late-term abortions, except in instances to save the life of the mother or to prevent serious harm to the health of the mother. That is a position I could support, but the Republican leadership will not let that piece of legislation come to the floor for a vote. They would rather, in my view, play politics with this incredibly sensitive and difficult issue, which I really regret.

So I would like to see us do everything we can to protect the life and the health of the mother, and of course I'm a very strong supporter and have been for many years of adoption, and foster care and the changes that we need to make to make sure every child has a safe and loving home, and I would continue to work on that as well.

BLITZER: Mrs. Clinton, like gun control, on this issue of abortion, there is no difference between you and Mayor Giuliani, on other issues, affirmative action, gay rights, you agree as well. What is the biggest policy difference there is between you and Rudy Giuliani?

CLINTON: Well, there are a number of them, Wolf.

BLITZER: Just give us the biggest one.

CLINTON: The biggest is probably his support of the very large, across-the-board, in my view, risky and irresponsible tax cuts. He also supports vouchers for public education, which I reject. He would be against the Comprehensive Nuclear Test Ban Treaty, which I would vote to ratify. He is not for a patient's bill of rights that includes the right of people to sue their HMOs, and I think that that's the kind of version we should look to pass. On many issues that a senator will vote one, he has taken a position that is not only opposite of mine, but I think opposite of views of most New Yorkers.

BLITZER: All right, let's take another question from one of those New Yorkers.

QUESTION: Hi, Janell Samnella, Rochester, New York.

I just want to know how you're going to defray the cost of college tuition. I want to know how come every time I get my fax-a-form (ph) back, it keeps saying no, you're not eligible for TAP (ph), you're not eligible for PAL (ph), but you can take out a loan. I think the government doesn't understand that just because, you know, parents are in the middle-class to upper-class income-level bracket doesn't mean that they're paying their students college tuition. So how can you help us? How can you help us students?

CLINTON: Well, I had proposed, along with Senator Schumer and now the president has agreed and put in the budget, that we make \$10,000 a year of college tuition tax deductible, which would be an enormous help to middle income families like yours. I believe this we made college tuition tax deductible and combine that with the aide that is available for people who are eligible for it, we would go a very long way in making college affordable for every student.

I'd also like to create a national teacher corps, because we're going to have a big teacher shortage, and I would like to encourage some of the students here and on this campus to consider going into teaching, but a lot of students say they can't afford too, because they come out of school with too much debt. So I would like to say that if you agree, you could get a full scholarship anywhere in the country, if in return, you would teach for four years. I would like to defray and to eliminate the debt that a lot of the students come out of school with, and I'd like to do the same for nursing and medical schools as well.

So I think the combination of making tuition tax deductible and really focusing on areas of shortage, like teachers, doctors and nurses, would probably cover the needs of most of our students, which I think would be a great step forward.

BLITZER: All right. Let's take another question, please.

Please, go ahead.

QUESTION: Hi, Ms. Clinton, my name is Betsy Snyder, and I'm from the West Winfield (ph) area near Utica, New York, and I'm a third-year law student here at UB.

From my area in Central New York, the backbone of our economy is farming. And presently, many farmers are having a problem in passing down their farms to their children to carry, due to detrimental tax consequences. What do you suggest that you could do to help family farmers pass onto children, as well as small family business owners facing similar problems?

CLINTON: Well, that's the announcement that I made this morning when I was on the dairy farm in Wyoming County, because I have heard about this from farmers and small business people all over the state. I believe that we should raise the exemption for the inheritance tax to \$1.75 million, and I also believe that we ought to increase the unified credit to a million dollars, because there are many family farms that cannot afford the estate taxes that are currently levied. I don't think we can afford in our balanced budget to go as far as the Republicans do, but I think that based on all my conversations, that we have to do more to remove this burden so that families that have worked hard to build up a farm -- like the farm I was on today fourth generation, and the fifth generation is waiting in line to take over -- they'll be able to do that, so I hope that that will help.

Because you're right, a lot of people don't know that agriculture is still the number one industry in New York. So when we talk about economic development upstate, we have to talk not only about the new economy and technology, but doing more to help our farmers, and that would include, for example, including New York in the dairy compact so that our dairy farmers would get a much fairer price for their milk and doing some changes in some of the federal financing and subsidy programs, so that all of our farmers would have a leveler playing field so that they could compete and really continue the rural tradition that means so much to upstate New York.

BLITZER: All right, Mrs. Clinton, we have to take another break.

More of our conversation, our town meeting, with the U.S. Senate candidate from New York, the Democratic candidate, **Hillary Rodham Clinton**, when we come back.

(COMMERCIAL BREAK)

BLITZER: Welcome back to the University of Buffalo, where we're continuing our special LATE EDITION town meeting with **Hillary Rodham Clinton**.

Let's take another question from a New Yorker.

QUESTION: Hi, my name is Dan Kamerada (ph) from Rochester.

President Clinton and yourself pushed for a nationalized health care. When brought to the American people, this was soundly rejected. If you were elected, would you try to get the same nationalized health care. How would you guarantee that people without health care could get coverage?

CLINTON: Well, you're right. You may remember I had a few things to say about health care a few years ago, and I learned a lot from that experience, and I'm now from the school of smaller steps.

I still believe that we have to work toward the time when we can provide quality, affordable health care for every American, because since those years, we've had, as you've pointed out, even more uninsured Americans, and an increasing number of what you might call underinsured Americans, and so there are a lot of steps that I think we could take. I've mentioned a few of them just briefly.

We do need to add a prescription drug benefit to Medicare and to ensure that Medicare is always there for my mother, and your parents and you eventually. We also need to pass a real patient bill of rights that puts doctors and nurses and health professionals back in the position of making the decisions about health care, and not bookkeepers and accountants and people in insurance companies. I think we have to continue as I did. As soon as we were not successful on that, and I took stock, I began working on some other ways that we could expand health coverage, and I'm very pleased that we have a children's health insurance program, which I'd like to build on and expand, because I'd like to see every child get the health care that child needs. I now would like to see us expand that to the parents, the working parents of children that we're insuring.

And you know, when you think about it, it's very sad that we have so many uninsured and underinsured people, and I've been in and out of hospitals all over the state. And I was up in Massena, which is -- I don't if anybody here is from Massena, but it's up in the north country -- and I went into a hospital room and met a woman who has no insurance, and she has asthma and a heart condition, and so every three months she goes into the hospital where they take very good care of her, but then they don't have any way to pay those bills because she makes too much money in order to qualify for Medicaid but she can't afford insurance.

In that same hospital I met a young woman who switched jobs and was not yet eligible for the health insurance of her new employer when she found a lump in her breast and a family friend, an internist did the out -- did the biopsy and found out that it was cancerous and sent her to his friends, an oncologist and a surgeon, and the surgeon said to her, "You know, this may be a blessing in disguise because now I'll be able to take care of you the way that I want to without arguing with your insurance company."

So we really have some work to do to make sure that it's doctors and nurses and to make sure people have access. We also have to lower the cost of prescription drugs. They are just way too high and they're going up too fast, and I've said that I would introduce legislation that would permit us to reimport American manufactured and approved drugs from Canada so that we could buy them at the low rate that Canadians buy them, so we can have a more competitive marketplace for drugs.

BLITZER: Mrs. Clinton, but you know that millions of Americans will forever define you by that failed health care plan of 1993, not so much because it was -- you wanted to go in one full step, but because it was big government, an effort by the government to take over our health care, and they will always see you as someone who simply wants big government to do all these things whereas the private sector and individuals should be doing more, that are local and state governments.

How can you reassure voters in New York that you're not simply for more federal government takeover not only of health care but all sorts of other issues that affect our day to day lives?

CLINTON: Well, I think, Wolf, all you have to do is look at not only the positions that I have taken and advocated for many years but what I would do in the Senate. Now, you know, there is a lot of evidence that the problem has gotten worse, and so I think we should put our heads together and come up with whatever will work and to try to make that available to people.

I think it's also very important that we do continue to take these steps that we've taken like the Childrens Health Insurance Program that I worked so hard on, because we have to figure out a way, because this is not a problem that just affects the uninsured or people who have to argue with their HMO. It eventually affects all of us, because if we don't have a system that is really funding our local hospitals, our academic health centers, all of the pieces of our system that really make America's health care system the best in the world, eventually it will affect what kind of care all of us can receive.

BLITZER: All right, let's take another question.

QUESTION: Hello, my name is Marcy Kelly (ph), I'm from Hamburg, New York and I work for an agency called Action For Mental Health, which is part of the West New York Independent Living Project. It's a disability rights advocate agency. Currently in New York state we can't get equal health insurance coverage for mental illness, insurance companies do not cover mental illness and middle class and lower-class people go without mental health treatment. On the federal level, Medicare only allows 90 days of in-patient hospital care.

What can you do to help us in this -- in getting insurance coverage we need for treatment for mental illness?

CLINTON: Yes, I'm really glad you asked that, because I think it might surprise people to know how often as I'm traveling around the state, maybe going into a diner or, you know, in a supermarket, people will come up and talk to me about just that problem.

You know, we still have a stigma, don't we, when it comes to mental illness? And I think the more we learn about how our bodies and minds work -- you know, the mind is an organ just like the heart or the liver, and we are learning that a lot of the susceptibility to mental illness is really in our genes. I think when we map the human genome we're going to discover that just like some of us might be susceptible or vulnerable to diabetes or cancer, others might be susceptible to depression or schizophrenia.

I think it's time we realize that health care should be both body and mind, and I would like to advocate and work toward parity for coverage for mental illness, because what I see happening now is that a lot of untreated mental health problems are manifesting themselves in violence. You know, we have so many people with mental health problems in our prisons. We were talking before about school violence and the level of youth violence. There's a lot of evidence that many of those youngsters are affected by emotional and behavioral problems.

I think that it's really in our interest to do more to destigmatize the treatment of mental health and to provide the resources, because I think eventually it would save money in many, many of the cases that I'm aware of, and I applaud you for working on it and being an advocate.

BLITZER: All right, Mrs. Clinton, we have to take another break. More of our town meeting with Mrs. Clinton when we come back.

(COMMERCIAL BREAK)

BLITZER: When we come back, more of our LATE EDITION town meeting with **Hillary RodhamClinton**, and I'll ask her one question I've been waiting to ask all night. Stay with us.

(COMMERCIAL BREAK)

BLITZER: Welcome back. Let's take another question right away from the audience.

QUESTION: Good evening, my name is Judata Abdella (ph), and I'm from Buffalo, New York.

Monetary compensation to survivors of the Holocaust has set the precedent for reparations to victims of war. Do you feel that this should extend to the Palestinian people who have lost their land to Israel?

CLINTON: You know, I am a very strong supporter of Israel's safety and security, as well as a strong supporter of the peace process. And right now, I believe that we should support the negotiations that are ongoing to permit the parties to reach whatever arrangements they finally can reach. And I don't think it's useful for those of us who are at a distance from the situation to be really commenting on what should be the basis of the discussion between the parties, and I hope that, you know, progress will be made.

BLITZER: But you did at one point call for a Palestinian state. Do you still believe there should be an independent Palestinian state alongside Israel?

CLINTON: Well you know, I expressed a personal opinion, but I think that that also is one of those issues that has to be decided between the parties, and it is part of the final status negotiations. BLITZER: So you've backed away from that?

CLINTON: Well, I think it's not useful, especially for someone to comment or talk about what should be the determination between the parties.

BLITZER: All right. Let's take another question.

QUESTION: Hi, Mrs. Clinton, my name is Alka Sharma (ph). I'm from Buffalo. My question is, what key strength do you feel that you possess that will make you the best advocate for New York?

CLINTON: Well, I think I bring 30 years of experience and commitment to the issues that New Yorkers are talking to me about: How do we improve public education? and I and I am a strong supporter of that. I was one of the first people, for example, to call for teacher testing back in 1983, and I'd like to do more to both increase standards and accountability as well as provide more opportunity. The work that I have done in health care and will continue to

do, the work that I've done on economic development I think is all very relevant to the job of a senator.

But it's not only issues, it's how you get things done. You know, in the Senate, we have to work with 99 other people, and I think I bring a leadership style that will try to unite people, and try to work with people in a way that will actually accomplish some very positive results for our state, and so I think both on issues and how I would go about doing the job, I think I could be a strong advocate for the needs and interests of the children and families of New York.

BLITZER: Are you saying that Rudy Giuliani can't work with other people?

CLINTON: Well, I'm saying that I will work very hard with other people, and I'm going to say run a campaign that is based on issues and ideas, and I've worked with the Senate for many years. You know, I was confirmed by the Senate back in 1977 for a position in the Legal Services Corporation. You know, I've worked with senators on, you know, legislation, I testified, even before the White House years. And in the White House years, I've worked with members of Congress from both parties on not only health issues, like CHIP, but on improving adoption, and foster care and education. In fact, you know, Wolf, I even worked on improving adoption and foster care with someone who rarely has a good thing to say about my husband or me -- that's Tom DeLay. But you know, I invited him to the White House, and we worked together, and we made some very significant changes in how we will hopefully move more children from foster care to adoption.

I'm willing to work with anybody. I think that the most important commitment I can make to the voters of New York is that I will get up every single day and work my heart out, and that means working with people that I may not agree with and that may not agree with me, but I know that I might need their vote to do something for Buffalo or Western New York.

BLITZER: All right, go ahead. QUESTION: Hi, Mrs. Clinton, my name is Erin Ziggler (ph), and I'm from Buffalo, New York.

I was wondering, how do you feel about granting MFN status to China when considering their very poor history on human rights?

CLINTON: That's a very good and hard question. And I know many people, here in Western New York in particularly and Erie County, are concerned about this vote, and I share the concerns that many of my supporters in organized labor have expressed to me, because I do think we have to make sure that we improve labor rights, we improve environmental standards in our bilateral and our multilateral trade agreements.

But on balance, I've looked at this, I've studied it, I think it is in the interests of America and American workers that we provide the option for China to go into the WTO. Right now, we are trading with China. We have a huge trade deficit with China. The agreement that has been negotiated between our two countries would open their markets to us in a way that they are not yet open, and in fact, for many large manufactured products, like automobiles, we would have the first chance to really get in and compete in that marketplace.

I also think it's not just an issue of trade. I believe it's a security consideration. I want to do everything we can to persuade China to improve its human rights record, to be sure that it

doesn't in any way interfere with its neighbors or with Taiwan. I don't think you gain that by isolating China. I think we must work out as best we can a relationship in trade, and a very firm statement and commitment to improving human rights and try to make as much progress as possible.

BLITZER: Mrs. Clinton, we only have a few seconds left.

Here's the question that I've wanted to ask you. Our audience at home is now going look at a picture of you wearing a Chicago Cubs baseball cap and a New York Yankees baseball cap. If the Cubs make it to the World Series this year, the first time since 1908 that they would actually be in a position to win a World Series, a lifelong Chicago resident, a native of Illinois, would you say the Chicago Cubs should win or the New York Yankees?

CLINTON: Well, you know, Wolf, I got into trouble when I told people that I was a Yankees fan growing up. But part of the reason I was a Yankees fan is because I was also a Cubs fan. You know, I needed an American League that could win. It's depressing to be a Cubs fan year after year after year. But you know, I'm no longer going talk about baseball. I will just privately keep my opinions to myself, because you know, I got so much grief the last time I opened my mouth.

If that were ever to happen, you can come back to me.

(LAUGHTER)

BLITZER: She's not telling us. All right, Mrs. Clinton, thank you so much on behalf of the University of Buffalo, everyone at CNN. Thank you so much for joining us for this "LATE EDITION" town meeting.

CLINTON: Thank you.

(APPLAUSE)

BLITZER: I want to thank the audience once again.

We will have a similar forum in the not-too-distant future with the Republican candidate, Rudy Giuliani.

For all of us here at CNN, thank you very much for watching. I'm Wolf Blitzer in Buffalo. Good night.

STATEMENTS BY FIRST LADY HILLARY RODHAM CLINTON, SENATOR CHRISTOPHER DODD (D-CT), DR. T. BERRY BRAZELTON, AND OTHERS AT A WHITE HOUSE EVENT, 4/28/2000

TOPIC: CHILD CARE AND CRIME PREVENTION

LOCATION: THE ROOSEVELT ROOM OF THE WHITE HOUSE, WASHINGTON, D.C.

SECTION: WHITE HOUSE BRIEFING

MRS. **CLINTON:** (In progress due to technical difficulties) -- crime, Invest in Kids, an anti-crime group made up of 700 police chiefs, sheriffs, prosecutors, experts, and victims of violence.

Now this report which we are releasing has the expert help and advice of so many people who are on the front lines of caring for our children and of preventing crime. It tells us that at-risk children who receive quality child care today are much less likely to commit crimes tomorrow. They're less likely to enter school with serious behavioral problems. They are less likely to be arrested. They are less likely to break the law again and again when they grow up to be adults.

And by investing in child care, we save not only precious lives and futures, but also precious resources. For every dollar we invest in child care, we save more than \$5 in crime costs down the line.

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It is my great hope that Congress will pass this budget so that we can take a step forward to having the kind of country that all of us want to have and that our children deserve to have. As today's report confirms, investing in child care is not only the right thing to do, it is the smart, economic and, now we know, crime-fighting thing to do as well.

Now, our next speaker is someone who has been working on this issue for a lot longer than anyone else in this room. He has worked tirelessly on behalf of our youngest and most vulnerable children, and it has been my great pleasure to work with him over many years now. So let me introduce a professor, a pediatrician, a co-author of today's study, a great champion of children, a friend and a mentor to so many of us, Dr. T. Berry Brazelton. (Applause.)

DR. BRAZELTON: Well, Hillary, it's a great pleasure to be here with you again in the White House. Hillary has done more for children and families than any president's wife that I know of, and it's just incredible to me. I hate to lose her. And we've worked together, as she says, over 15 years. They told me to say 30, and I said, No, that was too much -- (laughter) -- so I cut it down to 15.

But I am proud of Fight Crime: Invest in Kids, because it's been the brain child of people that really have power -- the adults who cope with the other end of failures, police chiefs, district attorneys, sheriffs and victims -- and it's time we looked at what we were doing instead of putting band-aids on the other end, such as prisons and so forth. And I think these people realize that we have been a failure in what we've been doing.

And I -- the rigorous research that I can quote now is certainly a back-up to all that we're talking about. Researchers at the High/Scope Foundation randomly chose half a group of at-risk toddlers to receive a quality -- and that's the biggest word, quality -- educational child care program while they were three and four. Twenty-two years later, the children left out of the program were five times as likely to have grown up to be chronic lawbreakers with five or more arrests.

Think of the cost of that.

Brand-new research has just come out from a large 14-year study of children enrolled in government-funded child-parent centers at ages 3 and 4, and shows that compared to children who'd been left out of the program, they were only half as likely to have two or more arrests as teens.

And in North Carolina, which is a leading state now -- we're beginning to see the states turn into paying attention to this -- the children who have been in child care centers, bolstered by wonderful Governor Hunt, the state's pioneering Smart Start program, were half as likely to have behavioral problems with they hit kindergarten.

So we have every kind of evidence that this works, and it works to prevent.

The thing that strikes me about it, too, is what Hillary mentioned -- that we're not just talking about children, we're talking about families. When a family knows their child's going to be taken care of appropriately, they don't have to grieve in the same way. When they have to leave a child with somebody you or I wouldn't trust, nor would they, what recourse have they got but to begin to grieve and to begin to pull away from that child and not -- and to deny what might happen to that child? So we end up with seeing the empty faces that we saw in the Colorado episode. When you look at those children on TV, they are empty. They don't have what we want all of our kids to have.

The three things that I think -- four things that I think we can give a child in the first three years at the cheapest price are:

Self-esteem. Every time somebody looks at that child and the child goes, "Ooh," and they go, "Ooh," back -- (laughter) -- that child feels, "I matter! And every time that child smiles and somebody smiles back at him, that child gets a sense of self-esteem.

And then, with enough self-esteem, they can care about others. This is what we've lost in this country -- caring about others.

The third thing is the motivation for learning. You know, we hear all this about stimulating your child in the uterus, stimulating him and so forth. Kids who feel good about themselves are ready to learn anything we want them to.

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I think if we can fund it at the national level, at the state level, at an individual level, we can do it; we can give every child in this country quality. And the Perry Preschool Project showed that if we do this early, we can save \$7 on every child later on. And then you ask, what will it cost us? Compared to what?

Now I'd like to introduce Chris Dodd, one of my favorite people. He's been -- (laughing) -- we've been fighting together for 50 years (laughter) -- on almost everything: 99, 457, the Early Intervention Program, the Parental Leave Bill, the Child Care Bills. Every bill that's come up for children, Chris is the leading expert on. So I think all of us deserve to give him a hand. (Applause.)

SEN. DODD: Thank you very much, Doctor. If I had any sense, I'd just sit down right now after that! (Laughter.)

If I start doing this on television, Doctor, I don't get the same response you do -- (laughter) -- (inaudible) -- children. Every time you do it, it moves an audience, and we thank you immensely.

Well, this is about as good a child care setting as there is in the country. As long as **Hillary Rodham Clinton** is in this house, children don't have a better place and a better set of advocates than they do in the president and the first lady. We thank you immensely. What they've done over the years. It deserves a round of applause. (Applause.)

And not just a newcomer, obviously, to it, but for those of us who have had the pleasure of working with Mrs. Clinton over the years, the Children's Defense Fund, as the first lady of Arkansas, and during these past more than seven years now as first lady of the United States. I've often said I have a great friend in the president of the United States when it comes to these issues, but if I know I really want to get something done on children, I know who to call here, with all the other things the president has to worry about and talk about.

And, Dr. Brazelton, it's always a pleasure to be with you, in your company. And when we need to make a case to our colleagues in Congress, there's no better advocate for children anywhere in America than Barry Brazelton. And we thank you immensely for the years and years of advocacy on behalf of America's children.

My colleague, Ben Cardin, Eric Holder, Chief Sullivan. Pleased to be with you. Olivia, we thank you as well for all the tremendous 00

How do you close your eyes to the fact that our child care providers, the individuals who work and nurture these young people for eight to 10 hours a day, are paid abysmally in this country. Some of the lowest-paid workers in the nation are people that we ask to watch the next generation of Americans. We do a better job in insisting that your pets are cared for in this country than that your children are. And there ought to be a sense of outrage about that across this country.

As a result of the efforts of the Clintons and others in Congress, we've been able to improve the safety of the food that children eat, recently with the medicines that children take, with the toys that they play with we've done a much better job. It seems somewhat ironic, to put it mildly, that we have yet been able to increase the quality of the settings where these children live every day as a result of the pressures that their parents are under.

And it is a frightening experience for parents to have to worry about where your child is going to be, who is watching out for them, not losing my job because I have to worry about whether or not the child care setting is appropriate and proper. I don't know if enough of my colleagues, frankly, understand the fright and the terror that parents go through every day, with 13 million children every single day in a child-care setting, with so many who have to struggle every single week to try and find a good, safe place for their children. In this day and age, as we enter the 21st century, this ought not to be a partisan issue. Democrats and Republicans ought to be able to find common ground on seeing to it that we have accessible, affordable and quality child care for every needy child in this country, and that's what we're determined to achieve.

So I'm pleased to be joining today with the folks who prepared this report. Arlen Specter, our friend and colleague in the Congress, has committed to raising up to \$2 billion, Ben, the numbers that we're talking about here, the administration has those numbers in there, Berry, and we're hopeful this year. Last year, four times the United States Senate passed legislation to increase the funding for child care. On four different occasions we were able to achieve that. And yet in the arcane world of the Congress, the conferences where the two houses meet, we lost out on these issues. Well, we're determined not to lose this year. That's why we're here today. That's why we've come together to make the case once more that in this year, the first year of the 21st century, the American children and their child care needs are not going to be forgotten.

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We in law enforcement fully recognize that we need to be strong on crime, and we need to have safe communities. But we know we're not going to achieve real safe communities until we are starting to invest more money in the early childhood years of the children we're dealing with. Head Start needs more money. Other programs similar to Head Start in our communities across the country need to be better funded. Those proposals are before the Congress, and they need to be funded -- not only in the Congress, but also in our state legislatures.

As Dr. Brazelton said, for -- every dollar invested in early childhood care saves \$7 later in the way of criminal justice system costs, social services costs, and puts a more viable person enjoying the full life of -- American society has to offer.

I work with about 80 kids who have been passed out or dropped out of high schools. They were placed in alternative schools. They have failed and were tossed out of the alternative schools. Those kids are well on their way to jail, to become my clients and the prison system clients in jail. In working with them, a board that I serve on in working with those kids, we find that many of them have literacy problems. They don't have educational deficits as far as ADD or dyslexic, but they just never had the opportunity to really grasp the basics -- reading, for one. They never stood a chance of getting started in the elementary schools, and they start failing out in junior high and high school. We need to invest our money far better in that preschool, Head Start, early childhood development, so that they can be successful when they hit our regular public schools.

The public of America understands the public mandate to fund schools starting at first grade. They don't understand -- and we need to help get that message across -- we need to make better investments in preschool, early childhood development, so that these children stand a chance and don't become the clients of myself and the attorney general's office, Mr. Holder.

So Fight Crime: Invest in Kids' partnership of chiefs, commissioners, sheriffs, prosecutors back the administration's proposal for increased investments and also, then, encourage our state legislatures to look at their role, their responsibility at the state level to invest as well, to match with the federal government's investment in early childhood education and development.

With that, I'd like to introduce a man who is a major leader in the House in early childhood care legislation, Mr. Ben Cardin from Maryland. (Applause.)

REP. BEN CARDIN (D-MD): Thank you. Sheriff Sullivan, thank you very much for what you do for our children and what you do for our community. And I first want to thank the children who are with us today. Thank you very much.

YOUNG PEOPLE: Yeah! (Applause.)

REP. CARDIN: Chris Dodd, of course, has been the real champion in the United States Senate on the child issues in so many different ways, and I want to agree with Chris Dodd that for the past seven years, America's children and families have had the benefit of the most effective, most persistent, most determined voice for child care that we've ever had in the White House.

The first lady's hard work has raised the visibility of child care issues in the administration, in the Congress and, indeed, in our entire nation, and we all thank Mrs. Clinton for what she has meant for all the children in our country. Thank you very much. (Applause.)

Dr. Brazelton, I was wondering why you were oohing and aahing me when I walked in. You've built up all of our self confidence -- (laughter) -- and we thank you for -- I feel better already, so thank thank you very much for --

DR. BRAZELTON: (Off mike.) (Laughter.)

REP. CARDIN: Well, now I think you've gone too far. (Laughter.)

Nothing is more important to the daily lives of more American families than the availability of affordable, reliable, safe care for our children. Six out of 10 American families with children under the age of six have two working parents or a single parent that's in the work force. And this really struck home for me this past month when I became a grandfather for the first time. My daughter and son-in-law will be working. So for my daughter and my son-in-law and for millions of similar families, child care is not a public policy issue; it's a daily struggle to balance the pressure to provide for their children with the need to make sure that their children are safe.

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Senator Dodd in the Senate has been real champions on this issue. Mrs. Clinton, I want you to know that I was joined by more than 100 of our colleagues in the House on both sides of the aisle, Democrats and Republicans, writing a letter to our Appropriation Committee urging them to include the entire increase in this year's budget in the House of Representatives. We need to get that passed this year. (Applause.)

In this time of budget surpluses, an increase in the Child Care and Development Block Grant is exactly the kind of wise investments we need to make in order to make our country stronger. If we shortchange child care at budget time, we shortchange our kids for a lifetime.

Again, Mrs. Clinton, I want to thank you for keeping this issue in front of the American people. Congratulations. (Applause.)

MRS. **CLINTON**: Well, I want to thank everyone for participating in the study. We've got some of the people who have actually been the investigators, the researchers, the writers,

members of the committee to fight crime, and everyone who has been a part of this, I'm very grateful to you.

I too want to thank our guests, who have been extremely patient (laughter) -- during this occasion.

And I guess we would just end by saying -- Barry and I were talking about this, and Ben, and Chris and I have talked about it, the attorney general and Eric -- we've all talked about this for so long because we know what the research shows us and we know what common sense, personal experience tells us. And I hope that we're able finally to make the case to the Congress.

And Sheriff, thank you for your eloquent and strong statement and your leadership.

And we will all be working very hard. But this is an issue that we can highlight here in the White House today, but we have to work hard on every single day to make sure that we translate the results of this report into the dollars that are needed so that we can fulfill the promise that the report gives us, that Dr. Brazelton is such an eloquent proponent of, and that is to make every child feel as wanted and special as possible, because we know that's the best way to prevent any problems down the road.

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REP. CARDIN: I testified before John Porter's subcommittee on Appropriations, and I can tell you that Congressman Porter was very supportive, is going to do everything he can, I think, to help us. So I think we have strong support among the -- some of the leadership on the House side to get this done.

MRS. **CLINTON:** And that's really key, Helen, because, as Chris said -- and you might want to add on that, Chris -- the Senate has passed considerable measures in the last couple of years.

Q (Off mike) -- added into that --

SEN. DODD: Well, that's so -- but last year four times the Senate -- four times the Senate passed, actually, the legislation on child care, and Senator Specter has indicated that he is going to support the number -- the president's number, the 817 million, getting up to 2 billion, for child care. So we feel very good about the strength we have, and with Ben's work in the House and the leadership out of the White House, all of that strength.

And events, frankly -- other events that have occurred -- tragic events, too often, are -- if there's a silver lining to any of these tragic events, it is because it raises the level of importance, the profile or the importance of doing more, as the sheriff has pointed out, early on with these children. And that aspect of this helps us tremendously.

MRS. **CLINTON:** You know, we have the sheriff, we have Commissioner Branton (sp), we have other leaders in law enforcement, if any -- if you'd like to add anything else to Helen's question. Bill or anybody, you want to add anything? (Pause.)

I think that the sheriff well said it when he described these young men -- and, I assume, some women --

SHERIFF SULLIVAN: Yes, young men and women.

MRS. **CLINTON:** -- but mostly young men -- that he's working with, who have dropped out or been pushed out and, you know, are really on the road to ending up as, you know, wards of the state in prisons or jails. And that's what we're trying to avoid.

And we've known this for so long. I mean, this is what must be a little bit frustrating for Dr. Brazelton and the experts who are here, who have worked in this field for so many years.

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Can't we do something about it?

MRS. **CLINTON:** In fact, Helen, we now have a lot of research that, exactly as Dr. Brazelton said, you can identify in preschool years, and certainly by fourth grade, children who are on the road to the kind of violence and criminal activity that we're all trying to prevent. And, you know, for too long, a lot of these issues have been considered, you know, kind of luxury or marginal issues. Like, you know, when I talk about encouraging parents to read to their children, you know, people say, "Well, isn't that nice." But it connects to everything we're talking about, the more we can get parents involved in the lives of their children, the more we can persuade parents that even if they, themselves, didn't have that good of an upbringing, if they, themselves don't feel that well educated, that there are things they can do that will give those tools to their own children.

But parents need help. Part of the great success of these early childhood programs that Dr. Brazelton talked about is that they not only focused on the child, but they helped parents be better parents. They improved the family atmosphere, so that kids could break that generational sort of cycle of illiteracy and poverty and violence. And, you know, you can just see it in the faces of children, and we know that it will work.

So we're here again to really make a plea to all the members of Congress to see this, for all of the reasons that we have tried to convey today, as one of the very best investments our country could make.

Thank you all very much. (Applause.)

END

"Inside Politics," CNN, 5/16/2000

WOODRUFF: The president explaining his decision to be in Albany, New York this evening, when state Democrats formally nominate **Hillary Rodham Clinton** as their U.S. Senate candidate.

Mr. Clinton will not address the state party convention, but he will make remarks at a reception afterward. The event comes as a new Quinnipiac poll of registered voters in New York state shows Mrs. Clinton remains in a statistical dead-heat with Republican Rudy Giuliani even after the mayor's disclosure of his marital and health problems. Well, as CNN's Frank Buckley explains, the Clinton camp may be hoping the first lady's nomination will give her a bounce.

(BEGIN VIDEOTAPE)

SEN. CHARLES SCHUMER (D), NEW YORK: We will make a great team in the United States Senate.

FRANK BUCKLEY, CNN CORRESPONDENT (voice-over): New York Senator Charles Schumer will officially nominate Hillary Clinton as the Democrats' choice for the U.S. Senate seat, but she's been the party favorite for a year-and-a-half, and the convention is expected to only affirm that conviction.

JOEL SIEGEL, "NEW YORK DAILY NEWS": This is a very unusual situation for the New York Democrats, to have an open seat and they don't have a primary pretty much. And that's -- nobody can remember the last time that's happened, and it will be more of a coronation than anything, I think.

HILLARY RODHAM CLINTON (D), NEW YORK SENATE CANDIDATE: I will work for the next month in this campaign to earn the trust and the vote of every single New Yorker.

BUCKLEY: Congressman Charles Rangel was among the first New Yorkers to approach Mrs. Clinton with the idea of running. Despite never having run for any office and never having lived in New York, she was viewed as a potential heavyweight contender against the formidable presumed Republican candidate New York City Mayor Rudy Giuliani. Given Giuliani's recent diagnosis of prostate cancer and last week's revelation regarding his intentions to seek a separation from his wife, Rangel believes Mrs. Clinton is now the one to beat.

REP. CHARLES RANGEL (D), NEW YORK: It is a good feeling to win, but not nearly as good if we had a health candidate that had no problems at home, and we just whooped them good.

BUCKLEY: The first lady began her campaign with what she called a "listening tour."

H. **CLINTON**: Good afternoon, and thank you for joining us.

BUCKLEY: It was also a learning period for the novice candidate. Mrs. Clinton made mistakes: failing to consult with Hispanic leaders on clemency for Puerto Rican nationalists; waiting too long to issue a statement denouncing anti-Israeli comments made by the wife of Palestinian leader Yasser Arafat during a trip to the Middle East.

Polls have generally showed Mrs. Clinton and Giuliani in a statistical dead-heat. But a perceptible shift occurred in Mrs. Clinton's favor following the police shooting death of unarmed security guard Patrick Dorismond in March.

MAYOR RUDY GIULIANI (R), NEW YORK: Ultimately, it will be relevant as to whether or not the police officer actually caused his death or Mr. Dorismond caused his own death by struggling and fighting with the police.

BUCKLEY: The mayor's release of Dorismond's juvenile arrest record angering some voters and providing Hillary Clinton with an opportunity to criticize and gain ground.

H. **CLINTON**: At just the moment when a real leader would wait for the results of a full and fair investigation, he has led the rush to judgment. That is not leadership.

BUCKLEY: Giuliani's announcement of prostate cancer has softened Mrs. Clinton's campaign and tonight she is not expected to attack the mayor or do much more than accept her party's nomination during her appearance.

LEE MIRINGOFF, MARIST INSTITUTE FOR PUBLIC OPINION: Nothing big. You don't want to drive Rudy's bad news off of page one with something of your own.

(END VIDEOTAPE)

"Inside Politics," CNN, 7/6/2000

(BEGIN VIDEOTAPE)

FRANK BUCKLEY, CNN CORRESPONDENT (voice-over): Hillary Clinton arrived in upstate New York, where her Republican opponent, Rick Lazio, has been campaigning in a bus tour since Monday.

The already combative Senate race now focused on allegations from both candidates that the other has gone negative.

LAZIO: They would like to drag me down in the mud, but you know what, we're not going to go there.

H. **CLINTON**: I think he ought to rename his bus, you know, instead of the Mainstream Express, he ought to call it the "Double-Talk express." You know, he's got moderate talk on the trail and extreme rhetoric in his mail.

BUCKLEY: Mrs. Clinton, referring to a Lazio fund-raising letter, revealed this week, in which Lazio says: "Hillary Clinton and her husband have embarrassed our country and disgraced their powerful posts."

LAZIO: And frankly, these letters are written, you know, not by me. I'm not disowning it, but they're not written by me. I mean, what's important is what I sign off on, what I'm saying, and what I am communicating through the commercials.

(BEGIN VIDEO CLIP, HILLARY **CLINTON** CAMPAIGN AD)

UNIDENTIFIED ANNOUNCER: Rick Lazio, the more you know, the more you wonder.

(END VIDEO CLIP)

BUCKLEY: Lazio saying a recent series of commercials from Mrs. Clinton represent the truly negative campaign.

LAZIO: I'm not the one. Hillary Clinton's the one who's out there trying to distort my record, attack me every day. I'm not the one who's got six negative ads hammering her. She's the one who's committed herself now to a negative campaign.

BUCKLEY: Mrs. Clinton was asked about the ads during a town hall-style meeting.

H. **CLINTON**: I think that providing information about people's record and their positions is absolutely fair. So that, for example, I know that my opponent has, you know, complained that I have pointed out some of the votes that he has taken. I haven't called him any names. I will never call him a name. So far as I know, he's a nice person. I don't have any personal animus toward him.

BUCKLEY: Mrs. Clinton is calling this swing of her campaign the "Upstate Economic Tour."

H. **CLINTON**: Last summer, I came to listen, and today, I'd like to offer a plan.

BUCKLEY: Clinton hoping to draw a contrast to Lazio's current campaign tour, which is largely focused on legislative accomplishments rather than policy proposals.

H. **CLINTON:** Remember in 1992 when they said "It's the economy stupid?" Well, I still think it's the economy.

BUCKLEY (on camera): The aggressive campaigning by both candidates in upstate New York, an indication of how importance this region is in winning a statewide election. Voters here are hoping both candidates will be as interested in the area after Election Day.

Frank Buckley, CNN, Johnson City, New York.

(END VIDEOTAPE)

"CNN Sunday Morning," CNN, 8/13/2000

KYRA PHILLIPS, CNN ANCHOR: With President Clinton and first lady **Hillary Rodham Clinton** in Los Angeles this weekend raising money for their own personal causes, there have been some grumblings from the Gore campaign that the Clintons are stealing the spotlight from the vice president.

CNN's Frank Buckley sat down with the first lady to talk about that.

(BEGIN VIDEOTAPE)

FRANK BUCKLEY, CNN CORRESPONDENT (on camera): So much has been made of the idea that somehow you are stealing the spotlight from Al Gore. What do you have to say to people who have been saying things like that?

HILLARY RODHAM CLINTON (D), N.Y. SENATE CANDIDATE: Well, of course, that's not the case. We are trying to shine the spotlight on Al and Joe by talking about the issues that they stand for and the progress that has been made under the Clinton-Gore administration and why a Gore-Lieberman administration would be the best thing for America.

And we're going to be doing everything we can to get that message across and certainly when the president speaks Monday night he's going to be talking about the accomplishments of this administration and the work that remains to be done and why Al and Joe are the best people to do it.

BUCKLEY: As you look back on the president's legacy, what would you like President Clinton to be remembered for?

RODHAM **CLINTON:** I think that he restored our economic well being and our national spirit and if you look at the accomplishments that resulted from the change in direction that he brought to the White House and that he and Al have managed and led us through, he's really positioned America well for the 21st century.

And one of the strongest arguments for Al Gore is that he understands the future. He knows where we're going. He really gets technology and the scientific changes that are so rapidly

transforming the way we live. So we can build on the hard work that the president and the vice president had to do these last eight years to really straighten things out.

I think that anybody who fairly looks at what they inherited when they went into the White House in 1993 knows there was a lot of work to be done.

Now, though, we're in a very strong position here at home and around the world and the question is what are we going to do with that? And we have a very clear choice because the other party offers a recipe for going back to the past. They wrap it up in the talk of the future and nice sounding rhetoric, but if you look at their economic plans and where they stand on other important issues like education and health care, it's really a sound for retreat and Al and Joe are going to be building on the new Democrat philosophy that Bill and Al brought to the White House and I would hope that every American really understands what's at stake in this election.

BUCKLEY: One of the things that Rick Lazio says over and over again is ask Hillary Clinton what she has done for New York during the past 30 years. What have you done?

RODHAM **CLINTON:** Well, you know, there are so many answers to that and one of the first is that I supported Bill Clinton and Al Gore and that was good for New York. And we've seen the results of that. But I've also had a long record of work on behalf of children and families going back 30 years. And I took that work with me to the White House. And so when I worked to reform the foster care and adoption system, that certainly helped people all over the country, including New York. And when I worked for the children's health insurance program that began to insure the children of working families, that's also helped a lot of people.

I think on so many issues where I've stood is where most New Yorkers stand. And time and time again, my opponent has voted with the Republican leadership and against the interests of New York. So I can't wait for the debates and for us being able to talk to him about his record, which he doesn't seem interested in really admitting or acknowledging or discussing because when people know what he's done and what I've stood for, I think they will feel very comfortable voting for me.

BUCKLEY: As you look back over the past year, was it what you expected?

RODHAM **CLINTON:** Well, I didn't know what to expect because even though I had been around political campaigns for many years, I had never been a candidate before and never had really visualized it or thought about doing it. I've had a lot to learn. It has been an incredible experience. I thank the literally tens of thousands of New Yorkers who have been kind and supportive to me along the way. I've enjoyed traveling to all 62 counties and really seeing firsthand what the problems of the state are and telling people what I would do as senator to try to deal with those.

So it's been an absolutely wonderful personal experience for me and I want to put that experience to work for New York. BUCKLEY: In the polls, you consistently stay in the 40s. What will you do to get through that and to achieve the margin that you need to win?

RODHAM **CLINTON:** Well, you know, I think most people aren't really focused on any election until after Labor Day. There's, well, you know, discussion about issues and people

get to meet candidates, but until the fall comes there's not a real commitment to sorting it all out. And as people really look at the differences between us and realize that, you know, I'm pro-choice, he's multiple choice. I'm for the Million Man March agenda to license handgun owners and register handguns and he doesn't agree with that and calls it intrusive. And I'm for getting money for modernizing and constructing schools in New York and he's voted against it. I'm for a patients' bill of rights that actually holds HMOs accountable. He's for the Republican leadership bill that doesn't.

There are so many differences between us and time and time again I have been convinced that New Yorkers when they know those differences are going to be voting for me.

(END VIDEOTAPE)

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RODHAM **CLINTON:** Well, I didn't know what to expect because even though I had been around political campaigns for many years, I had never been a candidate before and never had really visualized it or thought about doing it. I've had a lot to learn. It has been an incredible experience. I thank the literally tens of thousands of New Yorkers who have been kind and supportive to me along the way. I've enjoyed traveling to all 62 counties and really seeing firsthand what the problems of the state are and telling people what I would do as senator to try to deal with those.

So it's been an absolutely wonderful personal experience for me and I want to put that experience to work for New York. BUCKLEY: In the polls, you consistently stay in the 40s. What will you do to get through that and to achieve the margin that you need to win?

RODHAM **CLINTON:** Well, you know, I think most people aren't really focused on any election until after Labor Day. There's, well, you know, discussion about issues and people

get to meet candidates, but until the fall comes there's not a real commitment to sorting it all out. And as people really look at the differences between us and realize that, you know, I'm pro-choice, he's multiple choice. I'm for the Million Man March agenda to license handgun owners and register handguns and he doesn't agree with that and calls it intrusive. And I'm for getting money for modernizing and constructing schools in New York and he's voted against it. I'm for a patients' bill of rights that actually holds HMOs accountable. He's for the Republican leadership bill that doesn't.

There are so many differences between us and time and time again I have been convinced that New Yorkers when they know those differences are going to be voting for me.

(END VIDEOTAPE)

"Larry King Live," CNN, 8/14/2000

KING: We're back on night one of the Democratic National Convention: various female United States senators and congresswomen are speaking to the crowds in advance of **Hillary Rodham Clinton**, the outgoing first lady, candidate for the U.S. Senate in New York. She will address the 43rd Democratic National Convention in the next hour. Her husband will be following her to the podium.

I interviewed Mrs. Clinton just a day ago. I began by asking if she felt funny attending this convention.

(BEGIN VIDEOTAPE)

HILLARY RODHAM CLINTON (D-NY), U.S. SENATE CANDIDATE: I feel great being here. You know, I get to...

KING (on camera): It's kind of weird, though, isn't it, at the end?

CLINTON: Well, you know, it's bittersweet in the sense that this has been an extraordinary eight years, but I'm very happy about Al Gore and Joe Lieberman, and I feel so energized by the ticket and the differences between them and their Republican counterparts that I just want everybody in the country to sort of see Al the way that I see him and to understand what's at stake in the election.

KING: Were you surprised that Joe Lieberman got picked?

CLINTON: Well, as it got toward the end of the decision being made, I knew there was a short list, and I knew Joe was on the short list. And I've known Joe for 30 years and have admired him, and really like him and Hadassah so much.

And I know that on many of the issues that count he has been along the lines of the president and the vice president as one of the leaders of the new Democratic Party.

So I really wasn't surprised; I thought it was a great choice, and I think the country reacted so positively because it was self-evidently a good choice.

KING: The man who was going to run against you, Rudy Giuliani, told us the other night that he thinks that this selection helps you a great deal in New York. From a personal standpoint, doesn't it?

CLINTON: Well, I would hope so, because I would hope that New Yorkers really understand the differences between me and my opponent, and between Al and Joe and their opponents. And any time we can get the focus on the issues it helps me.

KING: Were you surprised at the Jewish element? I mean, that was the drawback, wasn't it? I mean, Joe Lieberman, the question was, "Should a Jew be on a national ticket? How much of America still has anti-Semitic feelings?" What are your thoughts in that area?

CLINTON: I think Joe Lieberman is eminently qualified. I believe that he was a great choice on the merits. And I think it's wonderful that in addition of his being so well-qualified to be president and therefore to be an excellent candidate for vice president, as the vice president has said, you know, we've broken down some more barriers. And as Jesse Jackson memorably said, "Every time any barrier in America is broken down, it opens doors to everyone else."

KING: And what -- what's with Hillary and the Jewish community in New York?

CLINTON: I -- I think...

KING: Reading it from afar, everyone says you're in trouble with the Jewish vote in New York, and the question is, why?

CLINTON: Well, I don't feel that. I feel very supported. Certainly, some of my very biggest supporters are standing behind me all the way. But I think it's just a question of people getting to know me, know my stands on issues here at home and abroad, particularly with respect to my strong support for Israel's security and well-being and what I've tried to do to promote that over the years.

And on domestic issues, whether it's the fact that I'm pro-choice and my opponent is not, that I am going to be willing to stand up against the gun lobby and fight for the licensing of handgun owners and the registration of handguns, and where I stand on the economy and education and health care and the environment, the issues that New Yorkers care about, I think, I will have great support across the board in the state.

KING: And you have been greeted well by the Jewish community?

CLINTON: Oh yes.

KING: Of course, you did have that problem with...

CLINTON: Well, you know, I was there as a first lady.

KING: That was ceremonial though, wasn't it?

CLINTON: It was ceremonial, and as soon as we got an official translation, I condemned what she said. But I think that most people are looking at this election as to what it's going to mean for the future.

KING: Oh, you didn't know what she was saying when she said it?

CLINTON: Well...

KING: But you've also come out now for Jerusalem as the capital, right?

CLINTON: Oh, I did that more than a year ago, publicly.

KING: Before your husband.

CLINTON: Well, that's probably right. But I did come out in a letter that I wrote; I reiterated that. But I've also made clear that we here in America need to support the decisions that the Israeli government and the Israeli people make for the best interests of Israel, and that means the security and the peace that they can seek and that we can guarantee and can stand behind.

So my opinions or your opinions or anyone here in America's opinions really don't count as much as what the people and government of Israel decide.

KING: Are you glad you're making this race?

CLINTON: I am having the time of my life.

KING: Now, that you have the advantage of hindsight, glad you did it?

CLINTON: Absolutely. I'm enjoying it so much. I didn't know what it would feel like to be a candidate because I'd never done it before.

KING: What does it feel like? What is it like?

CLINTON: Well, it's very different. You know, for 30 years I've worked on behalf of causes and candidates and particularly on behalf of my husband in his many races, and I've always enjoyed doing that, thought it was important, never really believed I would be on the other side of that line, being a candidate myself, and it takes some getting used to. There's a real learning curve. Even if you've been around it for years, as I have, once you're the person on the front line, who is, you know, making the statements and doing the interviews about not out what someone else believes whom you're supporting, but what you believe and what you'll fight for -- it's a very different feeling.

KING: So it's not "Vote for him"; it's "Vote for me."

CLINTON: That's right.

KING: How about fund raising? Some people have said the hardest thing in politics is to ask for money.

CLINTON: It's very hard.

KING: Now you're asking for you. It's thing to ask for someone else. Is that hard?

CLINTON: Well, it's hard, but you have to do it. I want to change the system; that's why I support campaign finance reform, because I don't think it's a good system for our democracy. But it is the system we have, and if you believe strongly, as I do, that we need

to continue the progress of the last eight years and that it's important who is a partner in the Senate with Al and Joe, then you go out and you work as hard as you can, and that includes raising the money to make the campaign.

KING: An old friend of ours, Marvin Davis (ph), told me that you told him seven years ago you wanted to live in New York.

CLINTON: Yes, that's true.

KING: That this wasn't the -- way before this Senate jump.

CLINTON: I've always wanted to live in New York.

KING: Why?

CLINTON: Why not? I mean, there isn't any place like it.

KING: You're a Chicagoan, though. That's...

CLINTON: But I've been -- you know, I've...

KING: "Big Shoulders."

CLINTON: You know, I've had a wonderful life, because, look, I was born and raised in Chicago. I went to school in New England, and law school. I got to live in Arkansas, made the friends of a lifetime there. Got to live in Washington.

But like so many other people from all over the world, I've always wanted to live in New York. And I told Marvin, I've told a lot of people over the years that after the White House years I wanted to move to New York and have a chance to experience New York City and everything that goes with it.

KING: And when you can't -- you don't experience it as an everyday New Yorker. I mean, you have the Secret Service and...

CLINTON: Well, it's a little different, Because I used to love going and just being able to walk down the street before the White House years: going to a museum, going to a play, going out to a great restaurant. It is a lot harder for me now, but that will get easier after Bill's no longer president.

KING: And how is Chelsea enjoying being part of a campaign, Chelsea, who you've sheltered so well, who we, the public, really don't know

CLINTON: Well, thank you. Thank you and the press for giving her the space...

KING: They have, haven't they?

CLINTON: They have, and I hope it continues with all the children involved in this presidential campaign. You know, the Bushes and the Gores and the Liebermans all have young children, not adults yet. So I hope that the pattern that has started with our daughter will continue. But I am -- I'm enjoying having her with us. She has always been a part of our

life, and politics has always been a part of our family. So she has been with her -- with her -- with my husband, her father, been with me from time to time. And it's been a great treat.

KING: She's enjoying it?

CLINTON: Yes, she likes it. You know, and she -- you know, she's good to have around.

KING: Not bad. The times I've known her, she's a terrific person.

CLINTON: Thank you.

(END VIDEOTAPE)

KING: We'll have more of our interview with Hillary Clinton, which we taped on Saturday afternoon right here at the convention site, at the bottom of the hour. When we come back, one of the world's superstars, the incredible Cher, will join us. Always been

More now of the Hillary Clinton interview we started showing you earlier in the program. I asked the first lady about the contrition comments that her husband made last week before a gathering of ministers in Illinois.

(BEGIN VIDEOTAPE)

CLINTON: Well, I don't have anything to add to what he said. I think that what's important here at this convention and certainly what's important in this election is the future. And it's very clear to me that if you look at the public record of this administration, and what Bill Clinton and Al Gore have meant to America and the world, this shouldn't even be a close election. But I think we have to really get people to focus on what's at stake in their lives and what the decisions are going to be.

KING: Were you surprised, though, that he did come forward that way?

CLINTON: You know, he felt moved to speak and he did, and I don't have anything to add to that.

KING: How is that going?

CLINTON: He's great; he's doing very well and he's very focused on every day being the best president he can be. And of course, he is absolutely committed to doing everything he can to get the message out as to why Al and Joe would be so good for the country.

KING: And how, frankly, are you doing, emotionally? I mean, you went through a tough thing. The whole world knew. You know, when you see the whole -- it's embarrassing. Hard to come through? It's got to be tough. **CLINTON:** But you know, that's my business, and I don't talk about my personal business, and I feel strongly that what goes on in a marriage or a family should remain in that marriage and in that family. And I'm very, you know, happy doing what I'm doing. I feel very committed to making this race, because I believe so strongly in these issues. I have worked on them for 30 years. It's what I care most about in public life, and that's what I do every day.

KING: And the rest is none of our business.

CLINTON: That's right.

(LAUGHTER)

KING: What about -- why do you think people hate you? I mean, lots of people love you, and a lot of people have just judged you politically. But why do you engender, do you think, so much anger?

CLINTON: Well, you know, I think some of it is because of what I stand for and what I've done...

KING: It has to be more than that. Other people stand for those things.

CLINTON: Well, I think that people who are, for example, anti-choice or against gun safety measures, they know that I really mean it. I mean, it's not just a political view for me. I mean, it is something that I've come to after my life experience that I believe strongly in a woman's right to choose as part of the Constitution, and to make it clear that I've been in countries where that right was taken away from women, and I will fight very hard to prevent that from happening here.

Or when I stand up against the gun lobby, I'm not winking. I'm not saying that I'll fight only this hard and no harder. I think we've got too much violence in this country. There are too many guns falling into the hands of children and criminals. And I'm going to fight very hard to take that on.

And there are so many issues that I have a long track record on, that I have been out-front on.

You know, back in 1983, people were upset with me because I was among the first people to say that we needed to improve the quality of teachers, and I advocated teacher testing, and I was, you know, booed and I was boycotted, but I did what I thought was right.

KING: You also changed a lot. You were a Goldwater girl.

CLINTON: I was a Goldwater girl. But you know what...

KING: But why...

CLINTON: ... I've always believed in doing what you think is right for you. And sometimes people are, you know, not in agreement with me, and I just... KING: But it's more than that: It seems that you engender -- women have written books about you with, I think they would admit it, venom.

CLINTON: Who've never met me.

KING: I know. Why do you think...

CLINTON: Well, I don't know. You'd have to ask them as I'm sure you have.

KING: Do you ever wonder about it?

CLINTON: You know, but so much of it is politically motivated. There's...

KING: Just that?

CLINTON: Well, I'm not saying all of it, but so much of it is. There's a political and partisan agenda to it. There's an ideological bent to it. A lot of the people who write those things and say those things, you know, they loved the policies of Ronald Reagan and President George Bush.

I disagreed with them. I believe we're a better country than we were in 1992. I believe that our economy had to be turned around, and we had to make some very tough decisions.

You know, you go back to the kind of vitriol that really greeted both Bill and me when he began to run for president. It is hard to explain, except if you look...

KING: Because you basically were moderate, right?

CLINTON: Of course, but we were very intent upon changing things, and now I'm intent on preventing those positive changes from being reversed.

You know, just think about it, Larry: We worked so hard as a nation to get our economic house in order. If you look at what George W. Bush and my opponent, for example, are supporting, the Republican economic plan, it doesn't add up. The arithmetic is just not there, and the result would be to send us back to deficits and disinvestment.

Now, it's perfectly fine if somebody wants to believe that's the right thing to do, but I have a right, and I will fight with every fiber of my being, to say, "That's not good for America."

KING: Do you expect a very close, tough race?

CLINTON: I think races in America today are all close and tough.

KING: Do you know Rick Lazio?

CLINTON: I have met him, but I don't know him.

KING: Just perfunctory meeting.

CLINTON: Yes. I mean, I've learned a lot about his record, which he doesn't seem to want to own up to. So I'm going to be...

KING: Are you ready for debates?

CLINTON: Absolutely, I can't wait for them. I've challenged him to do even more than he's agreed to, because I want people to see me not as some kind of mythological figure that other people talk about, but here I am, here's what I believe in, here's what I've stood for, here are the values I was raised with, here's why I am doing this. I have worked on these issues since I was a young woman. I've never stopped working on them. I took my concerns for foster children and poor education and inadequate health care with me into the White House, where I kept working on it.

I want people to know that I am a consistent, strong voice for what I believe in, and if someone goes into a polling booth to vote against me, I want them to know what they're

doing. I want them to understand, not what some, you know, paid-for talking head has to say about me...

KING: What did you think of the Republican convention?

CLINTON: Well, I thought it was a show that didn't have a lot of substance, that tried, and effectively did, mask the differences that exist within their party, and the very strong policies that they have put forward that have not been good for the country, and the Congress that the president and the vice president and others have had to beat back.

I thought that they tried to blur the distinctions between the Democrats and Republicans, and it was a bravura performance, but it didn't have much to do with the substance or policies of their candidates or their party.

KING: See you in New York.

CLINTON: Yes, you will.

KING: Yes, we'll, after Labor Day, we're going to see a lot of you.

Hillary Rodham Clinton, first lady of the United States. It's her last convention as first lady. She might be here as a senator. One never knows.

CLINTON: Hope so.

(END VIDEOTAPE)

"The World Today," CNN, 8/15/2000

When our special report returns, first lady **Hillary Rodham Clinton** reflects on the past seven and a half years at the White House and what the future may hold in store.

(COMMERCIAL BREAK)

MORET: First lady **Hillary Rodham Clinton** set the stage for her husband's keynote speech. In her address, Mrs. Clinton had to pull off a triple task, boosting her husband's legacy, the Gore-Lieberman ticket and her own candidacy for the U.S. Senate. As CNN's Frank Buckley tells us, it all started with a rousing welcome.

(BEGIN VIDEOTAPE)

UNIDENTIFIED FEMALE: **Hillary Rodham Clinton!**

FRANK BUCKLEY, CNN CORRESPONDENT: First lady Hillary Clinton was welcomed to the stage at the Democratic national convention by a group of women she hopes to join, all of them Democratic U.S. senators.

HILLARY RODHAM CLINTON (D), FIRST LADY, NEW YORK SENATE CANDIDATE: Thank you, thank you, thank you!

BUCKLEY: The first lady received like a rock star by her fellow Democrats to the song "New York, New York," the Senate candidate devoting much of her 16-minute address to issues of

children. **CLINTON:** What will it take to make sure no child in America is left behind in the 21st century? It takes responsible parents who put their own children first. It takes all of us, teachers and workers and business owners and community leaders and people of faith. And you know, I still believe it takes a village.

BUCKLEY: She invoked the familiar title of a book she authored and touched on familiar themes from her Senate campaign, including gun control laws, the minimum wage and health care.

CLINTON: It's time to pass a real patients' bill of rights and provide access to affordable health care to every child and family in this country.

BUCKLEY: The first lady thanked Americans for what she called "the honor and blessing of a lifetime," eight years in the White House. Mrs. Clinton said the U.S. was stronger and better than it was in 1992, and she suggested that voters should support the Democratic national ticket in November.

CLINTON: How can we continue America's progress? By electing Al Gore and Joe Lieberman the next president and vice president of the United States!

BUCKLEY: And in her only mention of the office she is seeking, she was nostalgic.

CLINTON: Bill and I are closing one chapter of our lives, and soon we'll be starting a new one. For me, it will be up to the people of New York to decide whether I'll have the privilege of serving them in the United States Senate.

BUCKLEY (on-camera): If it were up to the Democrats gathered here, it would be no contest. But polls suggest it will be a very close contest that decides if the first lady leaves the White House and enters the U.S. Senate.

Frank Buckley, CNN, Los Angeles.

(END VIDEOTAPE)

"Ahead of the Curve," CNN, 9/14/2000

LINDA STOUFFER, CNN ANCHOR: The political war for a New York seat in the U.S. Senate continued with the battle in Buffalo last night. First lady **Hillary Rodham Clinton** squared off against her Republican rival Congressman Rick Lazio, in what turned out to be a no holds barred debate.

CNN's Frank Buckley looks at some of the more engaging moments.

(BEGIN VIDEOTAPE)

FRANK BUCKLEY, CNN CORRESPONDENT (voice-over): Congressman Rick Lazio and first lady Hillary Clinton were friendly as they met before the debate. But their political rhetoric during the clash cut through their cordiality, both candidates sprinkling New York-isms into their digs. Lazio aggressively confronting Clinton throughout the debate.

REP. FRANK LAZIO (R), NEW YORK SENATE CANDIDATE: In New York we say you've got to tell liked it is. And the way it is is that Mrs. Clinton has had two opportunities to make policy, one on health care and one on education. And on health care, it was unmitigated disaster.

BUCKLEY: Mrs. Clinton, on Lazio's claim of being independent in the House of Representatives, using an oft-used Yiddish word meaning, utter nerve.

HILLARY RODHAM CLINTON (D), NEW YORK SENATE CANDIDATE: Listening to the congressman's response reminds me of a word I have heard a lot of this past year, chutzpah. He stands here and tells us that he's a moderate mainstream independent member of Congress. Well, in fact, he was a deputy whip to Newt Gingrich, he voted to shut the government down, he voted to cut \$270 billion for Medicare, he voted for the biggest education cuts in our history.

BUCKLEY: Lazio, saying Mrs. Clinton's comments redefined the word chutzpah.

LAZIO: Mrs. Clinton you, of all people, shouldn't try to make guilt by association. Newt Gingrich isn't running in this race, I'm running in this race.

BUCKLEY: The moderator Tim Russert, to Mrs. Clinton, about her initial response in the Monica Lewinsky scandal, asked the First Lady if she regretted misleadingly the American people.

CLINTON: Obviously, I didn't mislead anyone, I didn't know the truth. And there's a great deal of pain associated with that, and my husband has certainly acknowledged that, and made it clear that he did mislead the country, as well as his family.

BUCKLEY: The candidates exchanged differing views on issues like the struggling upstate economy, Lazio suggesting it has turned a corner, Mrs. Clinton, quoting from a series of newspaper articles about the economy.

CLINTON: Referred to my opponent as "orbiting another planet."

BUCKLEY: On education, Lazio described Mrs. Clinton's record of reform in Arkansas as a disaster.

LAZIO: I don't think we need that Little Rock record in the Big Apple.

BUCKLEY: And when Lazio pulled out a recent pledge that both candidates forego soft money, Mrs. Clinton called it a wonderful performance.

CLINTON: You did it very well...

LAZIO: I'm not asking you to admire it I'm asking you to sign it.

CLINTON: Well, I would be happy to when you give me the signed letter...

LAZIO: Right here, right here, sign it right now.

CLINTON: We'll shake on this one.

LAZIO: No, I want your signature, because I think everybody wants to see you signing something that you said you were for.

BUCKLEY (on camera): In the end, both campaigns said the opposing candidate made factual misstatements during the debate. And both sides declared victory. Voters will have the final say, and at least one more look at the candidates clashing in debate. They meet again October 8th.

Frank Buckley, CNN, New York.

(END VIDEOTAPE)

Senate Debate with Rick Lazio, "CNN Live Event/Special," CNN, 10/8/2000

First lady **Hillary Rodham Clinton** and Congressman Rick Lazio face each other in the second New York Senate debate.

ANNOUNCER: This is an Election 2000 live event. First lady **Hillary Rodham Clinton** and Congressman Rick Lazio face each other in the New York Senate debate. Now from Washington, here is CNN's Wolf Blitzer.

WOLF BLITZER, CNN ANCHOR: Today for only the second time, the two candidates for U.S. Senate in New York state will face off. It's the most closely watched contest in Election 2000 other than the race for the White House. For much of the campaign, first lady **Hillary Rodham Clinton** and Congressman Rick Lazio had been running roughly even in the polls, but recent surveys have shown the first lady edging ahead as the race now enters its final month.

The second debate is about to begin. It's scheduled to last for one hour. Immediately following the debate, we will begin an extended "LATE EDITION," including reaction from both camps and special interviews with Democratic vice presidential candidate Joe Lieberman and Secretary of State Madeleine Albright.

One of the key issues that has emerged in the first debate was campaign finance reform. Last month, both New York Senate candidates agreed to a ban on so-called "soft money" to finance television campaign ads, but that agreement remains tentative at best. Both candidates can be expected to be asked about this and many other issues as this debate goes forward.

We now go to the studios of CNN affiliate WCBS in New York City.

MARCIA KRAMER, WCBS-TV: Good morning. I'm Marcia Kramer, political correspondent for WCBS-TV.

Well, the stage is set. Our candidates are here: Democratic Hillary Clinton and Republican candidate Rick Lazio. I'm joined by our panel of reporters, who'll be joining me in questioning the candidates. First CNN senior political correspondent Jeff Greenfield, "New

York Daily News" political columnist Lars-Erik Nelson, "New York Times" columnist Joyce Purnick, and representing "The New York Post," political reporter Greg Birnbaum.

More than 200 people are here in our audience from across the state to watch the second New York Senate debate. We should mention, though, that our Web site viewers have been submitting questions for the past several weeks, and we've incorporated some of those questions into the debate.

First some quick ground rules. Quickly, each candidate will be allowed 90 seconds to answer the question. The other candidate will have 45 seconds to offer a rebuttal. By a flip of the coin, the first question goes to Mrs. Clinton.

Mrs. Clinton, figures from the independent budget office show that New York state lost over \$200 million in federal aid after Chuck Schumer defeated Senator Al D'Amato and New York no longer had a senator in the majority party. Since the Senate is expected to stay in the Republican hands, how would you deliver for the state of New York as a junior senator from a minority party and a person that the Republicans would clearly want to humiliate?

HILLARY RODHAM CLINTON (D), NEW YORK SENATE CANDIDATE: Well, Marcia, first let me thank you for moderating this discussion. And I thank our panelists and the audience and mostly everyone who's watching at home. And I do want, Mr. Lazio, to put your mind at ease, in case you've been worrying. I won't be coming to your podium today.

(LAUGHTER)

CLINTON: But I will be addressing the issues that are important to New York. And one of the issues I've been talking about ever since I got into this race was how we could get more of New York's fair share. I think this is a problem that Senator Moynihan has put on the table, and we need to really address it. We have a chance to do that because we now have a surplus. One of the biggest injustices is the Medicaid formula. And I've come forward with a plan that would get us more money in New York.

I believe that the objective of the Senate is to do the best job you can for the state you represent, which I intend to do for New York. And I look forward to working with Chuck Schumer, who has been a vigorous and effective advocate.

Now, the problem is that the Republicans have control of the Senate and the House. I hope that changes in this election. I think there's a good chance it will. But the Senate is dominated by people who don't necessarily agree with how we need to do things here in New York, and I would be a vigorous proponent of what we need and an opponent of what would hurt New York. And I would look forward to being a good partner with Chuck Schumer.

KRAMER: Mr. Lazio, your rebuttal?

REP. RICK LAZIO (R-NY), SENATE CANDIDATE: I think this is incredibly important for New York. New York has had a history, up until this last election, of having one senator in each party of influence. I'm looking forward to working with Chuck Schumer in the Senate. I work with him in the House. I've been in the minority and the majority. And let me tell you, I know that in the majority, it's the people in the majority who craft the bills, who write the language, who are in a position to actually get the job done.

Now, New York sends \$15 billion a year more to Washington than we get back. I think we need somebody in the majority party who can well -- work well with others, who can cross party lines, who can be independent and who's got the ability to make sure that New York gets its fair share. And I think I'm that person.

KRAMER: OK, Mr. Lazio, our viewers wanted to know about your relationship with Newt Gingrich. Mr. Lazio, you were the deputy whip under Newt Gingrich at a time when government was actually shut down, and you voted under the "Contract with America" to shut down the United States Department of Education. Are you proud of the work that you did, and do you think that the Gingrich policies were good for New York?

LAZIO: Well, first of all, Marcia, I would say that's not accurate. What we did do is to try and send bills to the president, which the president vetoed. In fact, it was the work of people like me on the Budget Committee that got to the first balanced budget in a generation. And the fact is, on education, for the last three years, I voted for the highest levels of federal aid to education in our history, in part because we made the tough decisions back in 1994.

Yes, we voted to balance the budget. Yes, we voted for Welfare reform. It's had the result here in New York of sending hundreds of thousands of New Yorkers back into the workforce, ending dependency. Yes, we voted for a strong national defense. I believed in those things then. I believe in those things now. And I think the votes that we took back then helped put us on the path where we're able to make the investments in education, where we're able to reduce the Welfare rolls, where we're able to reduce taxes and create jobs here in New York.

KRAMER: Mrs. Clinton?

CLINTON: Well, it's not my opponent's association with Mr. Gingrich that bothers me, it's the fact that he voted with him. He voted with him time and time again to shut the government down, to eliminate the Department of Education, to cut \$270 billion from Medicare.

Now, this is not ancient history because just last week on "Meet the Press," when he was asked what he thought about those votes, he said that Gingrich was a figure of historic importance, and he had absolutely no regrets.

I think we need someone representing New York who would not have voted with Newt Gingrich. If it had not been for President Clinton, the government would have been shut down and many of the programs that my opponent now talks about wouldn't even be in existence anymore.

KRAMER: OK, Mrs. Clinton, we asked our viewers to come up with some questions for this debate, and we were surprised at what they wanted to know about you. They want to know more about you as a person. Quite frankly, Mrs. Clinton, they wanted to know why, after all the revelations and pain of the last few years, and because you are such a role model, why you stayed with your husband.

CLINTON: Well, you know, Marcia, I've answered that question and I've addressed it in various forums. For my entire life, I have worked to make sure women had the choices they could make in their own lives that were right for them. I've made my choices. I'm here with my daughter, of whom I'm very proud. We have a family that means a lot to us. And I'm

going to continue to stand up and speak out for what I believe, what I think is important. And many of my experiences in my life will give me insights into what I can do to be a good senator.

You know, I've had first-hand experience in balancing family and work. I've had to worry about making sure that my parents, my late father and my mother, were well taken care of, as well as taking care of my daughter. The choices that I've made in my life are right for me. I can't talk about anybody else's choice. I can only say that mine are rooted in my religious faith, in my strong sense of family, and in what I believe is right and important.

I want to go to the Senate to stand up for women's choices and women's rights, as I have done around the world in every chance that I've been given. And I want to be sure that there's a voice in the Senate that reminds us that with all the advances that women have, we're still threatened with the right to choose that might disappear if the wrong person is elected president, the wrong people are elected to the Senate. So I think my experience as a woman, as a person, will make me the kind of senator who will really understand what's at stake.

KRAMER: Mr. Lazio, rebuttal?

LAZIO: Well, I think this was Mrs. Clinton's choice, and I respect whatever choice that she makes. The fact is that this race is about the issues, about who can be most effective for New York, that who has got the skills to build bipartisan alliances and get the job done, who can go out there and make sure that New York gets its fair share.

Mrs. Clinton raised this issue, as she has before, on the so-called cut in Medicare. It's false. "New York Daily News," in an editorial, called it false. In fact, we would be spending more money this year on Medicare than we would have under the president's budget last year if we would have supported the bill that she criticizes now. The fact is, that we've been increasing our commitment to Medicare, and I think New Yorkers should know that.

KRAMER: OK, Mr. Lazio, choice is a big issue in this campaign. The next senator from the state of New York will have to approve as many as four Supreme Court Justices. I'd like you to take a look at the nine current members of the Supreme Court and tell me which one specifically most typifies the kind of jurist you would vote for and why.

LAZIO: I would -- may I? I would say Sandra Day O'Connor. I think she had the right -- she's got the right intellect, the right experience. She has a respect for precedence. I think she has had a distinguished career on the bench. And that's what I think a senator should look for when it comes to confirmation. And this is consistent with, frankly, what both Vice President Al Gore said and what Governor Bush said in their debates. Look for the most experienced, qualified person, no litmus tests. Let's make sure we get somebody who has a healthy respect for precedent, who's got the ability to make good decisions and who's got a -- hopefully, a good experience of being on the bench and having the temperament that we would want to have as somebody who's going to be serving on America's highest court.

KRAMER: Mrs. Clinton?

CLINTON: Well, I think that the fate of the Supreme Court hangs in the balance in this election. If we take Governor Bush at his word, his two favorite Justices are Scalia and

Thomas, both of whom are committed to overturning Roe v. Wade, ending a woman's right to choose. I could not go along with that. In the Senate, I will be looking very carefully at the constitutional views that any nominee from, I hope, Vice President Gore, but in the event, unfortunately, of President Bush, as to what that nominee believes about basic, fundamental, constitutional rights. Just as I could not support a nominee who would vote to overturn Roe v. Wade, I wouldn't support someone who would vote to overturn Brown versus Board of Education. I have strong feelings about fundamental constitutional rights that I would take with me to the Senate.

KRAMER: OK, the next question is from Jeff Greenfield of CNN to Mrs. Clinton.

JEFF GREENFIELD, CNN SENIOR POLITICAL ANALYST: Mrs. Clinton, there are Democrats -- Senator Bob Kerrey one of them -- who thinks it's a good idea that workers should be able to take some of their money and invest it on their own. Your -- you say that's too risky, that the government's going to do that for them.

There are Democrats like Bob Reich, former labor secretary, who says it's really important that poor folks maybe get vouchers to get them out of a failed public school system. You're adamantly opposed to vouchers for those folks without the means, they're going to -- it's public schools or nothing. And there are Democrats -- John Kennedy was one of them -- who favored across-the-board tax cuts. You favor targeted tax cuts, which means that they go to people who engage in activities the government approves of.

My question is why are you so reluctant to let people without means make the choices that more affluent people make for themselves?

CLINTON: Well, Jeff, I believe strongly in empowering people to make the best decisions in their own lives. With respect to the Democratic Party, we have a broad range of views. There are Democrats who don't agree with me on a balanced budget or Welfare reform or the death penalty. So there's a very vigorous debate within the Democratic Party.

With respect to the issues you've raised, I think we are currently underfunding our inner-city schools, our urban school districts. I could not go along with siphoning money off for vouchers that would take money away from the schools that I go into around this state, schools that teachers are teaching in partitioned hallways, where the teacher has the only textbook in the classroom. Any voucher scheme that I've had described to me would be either too little or raise constitutional objections.

We know what works now in public education. If we can get class size down, if we can provide qualified teachers, if we can focus on the learning objectives, then I know that we can make a difference, and I have a plan to do that I've set forth in great specific detail. And we have differences, my opponent and I. I support adding 100,000 teachers to lower class size. He has voted against that. I support the bipartisan school construction funding authority that would permit New York to have the school construction it needs without raising property taxes. He's opposed that.

So on these issues, there is certainly vigorous disagreement, but I believe that when you have 90 percent of our children in the public schools, we need to pay attention to giving the public schools the resources they need.

KRAMER: Mr. Lazio, your rebuttal?

LAZIO: Well, I think we've heard some fiction. Now let's try the facts. I have voted twice to support hiring additional teachers for the classroom. And under my plan that I support, New York would not get shortchanged. Under Mrs. Clinton's plan, New Yorkers would once again be subsidizing Southern states.

Number two, I would say that I am in agreement with people who believe in empowerment, Jeff, who trust people. I think it's immoral to force a child to go to a school where they can't learn. There are over 107 schools in New York where children are trapped in failing schools. Some schools have been failing for 10 years. Poor parents want to have the choice to give their children the education that I want for my children. And they deserve to have that choice. They deserve to have their children go to a school where they can learn. I trust parents to make that decision, and that's a major philosophical difference.

KRAMER: Jeff, your next question is to Mr. Lazio.

GREENFIELD: Mr. Lazio, we heard Mrs. Clinton say she supports a woman's right to choose. I'm going to ask you, and I hope Mrs. Clinton, to help us see how you'd finish the sentence. Right now, a woman can choose to have an abortion for pretty much any reason: health, life, if she gets a sonogram that says she's carrying a girl and she wants a boy. And depending on what state you're in, she can abort that -- choose to abort a child either six months into the pregnancy or perhaps almost up to birth.

And I would like to know specifically, do you believe there are some circumstances where the government, as a matter of law, should say to a woman, "Under these circumstance, you don't have a right to choose"?

LAZIO: Well, I had a pro-choice record in the House, and I believe in a woman's right to choose, and my record clearly reflects that. But I do support a ban on partial-birth abortions. I think most New Yorkers support a ban on partial-birth abortions. Senator Moynihan called it "infanticide." Even former mayor Ed Koch agreed that this was too extreme a procedure. This is an area where I disagree with my opponent.

My opponent opposes a ban on partial-birth abortions. She is supported by NARAL, that is so extreme on this issue that it wants to kick the Vatican out of the U.N. because of its positions. And one of her supporters is a person who developed partial-birth abortions and who's done it hundreds of times. I don't agree with that. I think that's where we draw the line, on partial-birth abortions, but I do support a woman's right to choose, and my record reflects it.

CLINTON: Well, my opponent is just wrong. I have said many times that I can support a ban on late-term abortions, including partial-birth abortions, so long as the health and life of the mother is protected. I've met women who faced this heart-wrenching decision toward the end of a pregnancy. Of course it's a horrible procedure. No one would argue with that. But if your life is at stake, if your health is at stake, if the potential for having any more children is at stake, this must be a woman's choice.

Now, the Republicans, rather than wanting to craft legislation that would carve out the constitutional exception that Sandra Day O'Connor pointed to in her most recent decision

about life and health, instead they'd rather play a political football game with this and put women's lives and health at risk.

KRAMER: OK, the next question is for Mrs. Clinton from Lars-Erik Nelson of the "Daily News."

LARS-ERIK NELSON, "NEW YORK DAILY NEWS": Ms. Clinton, good morning.

CLINTON: Good morning.

NELSON: In 1993, you were part of the health care task force that tried to extend coverage to more Americans -- in fact, all Americans. That failed, as you know. Now Mr. McDermott from Washington and Senator Wellstone from Minnesota both have universal coverage bills on the -- in the Congress. If you were elected, would you support those bills, or do you think -- have you been burned by the previous experience so you'd want to do it step by step?

CLINTON: Well, I'd rather refer to it as having been a learning experience, Lars Eric, because indeed, it was. And one of the things that I learned is that I think we need to take step-by-step progress toward the ultimate goal of providing quality affordable health insurance for every American. That's why when we weren't successful, I got back to work and worked to end drive-by deliveries, worked to expand Medicare to include mammography and worked especially on the Children's Health Insurance Program, which is doing very well here in New York, as a good example of what can be done.

I think that what we have to do now is add on these successes. That's why I'd like to expand the Children's Health Insurance Program further, all the way up to families making \$51,000 a year. I'd like to make it possible for people between 55 and 65 to buy into Medicare. I'd like to make it also possible to deduct some of the cost of health insurance from families that don't have employer-based health care and aren't eligible for one of the publicly-supported programs. I want to see mental health considered on parity so that we treat a mental illness the same as we treat any other illness.

But there are big differences between me and my opponent. He's opposed the real "patients' bill of rights" that is supported in a bipartisan coalition, as well as by 300 medical and health groups. And he's gone for the Republican version of the prescription drug benefit on Medicare, which wouldn't cover 650,000 New Yorkers and millions of Americans.

So there's work to be done, and I'd like to be part of that work.

KRAMER: Mr. Lazio, your rebuttal?

NELSON: Yeah.

LAZIO: First of all, let me just say that Mrs. Clinton's plan in 1993 would have been an unmitigated disaster for New York. No New Yorker would ever have written a bill that would have led to 75,000 jobs being destroyed, health care rationing and the destruction of many of our teaching hospitals, which are an incredible asset for New York.

I support biomedical discovery. I want to continue our search for a cure. That's why I've -- I have supported doubling the amount of money that we spend on health care research. I don't just talk about it, I have actually voted for deductibility for those employees who are not covered by an employer's plan to drive down the real cost of health care insurance and

to allow full deductibility for the self-employed, which is an increasing percentage of New York's population in this new dot-com economy.

KRAMER: Lars, do you have another question for Mr. Lazio?

NELSON: Mr. Lazio, yes, sir. Good morning.

LAZIO: Good morning, Lars.

NELSON: The Senate is a lot closer than anybody once thought to maybe changing hands. There are races where Democrats are doing better and Republicans are doing worse. That would mean your election here as a senator could keep the Senate in the hands of a party that pretty much despises this state. We have Jesse Helms as chairman of Foreign Relations. We have Orrin Hatch as chairman of Judiciary. Why should a New Yorker want to vote to keep that line-up?

LAZIO: Let me, first of all, disagree with your characterization, Lars, with all due respect. As a matter of fact, Republicans who have run this state, like Governor George Pataki, who's in this audience -- I want to acknowledge him -- have turned this state around, have helped create hundreds of thousands of jobs and opportunity for New York, have driven down the Welfare rolls, that have helped New York, and Mayor Giuliani, who has brought safety back to our streets of New York City.

These are Republicans who care about New York and who are effective. And I think for New Yorkers, they need to have people that are effective legislators, who are effective representatives, and to have one person in each party. Now, we already have Chuck Schumer, who is a Democrat, and he's got his foot in one party. I think it's important for New Yorkers to have somebody who has a foot in the other party of influence. I disagree with you. It's the Republican Party.

But whether it's the Republican Party, Lars, or the Democratic Party, the point is, is that we want somebody who's got the flexibility, the independence, who's got the ability to cross party lines and work well with others to be effective and get the job done. That's what I've been doing as a member of the House of Representatives, to help New York on children's health, on protecting New York and its transportation formulas so that we can take care of our critical transportation needs, to make sure that we -- we provide enough affordable housing for our seniors, for the disabled. I've written legislation to do that.

I've worked closely with the people of New York to make sure that New York got treated not just fairly but well. That's because I am from New York. I'm from this state. My friends and family are here. My roots are here. And I'm going to protect and put New York first...

KRAMER: Mr. Lazio, your time is up.

LAZIO: ... every single day in the Senate.

CLINTON: Well, I don't think I could defend Jesse Helms and Trent Lott and the people that Mr. Lazio will have to vote for. His first vote will be for continuing Trent Lott's majority leadership, unless what I think will happen, and that is the Democrats take over.

You know, I believe in bipartisanship, but there are certain things you cannot support, and there are certain votes that I would never make. And I would never be beholden to a Republican leadership that would say, "OK, it's time for us to have another one of those votes that we need." If you go back and look at my opponent's record, time and time again he's cast his lot with people who have not had New York's best interests or America's best interests in mind, as far as I'm concerned.

I think it's very likely that we'll have a Democratic Senate, but in any event, Chuck Schumer and I will be there fighting for New York.

KRAMER: OK, the next question for Mrs. Clinton is from Joyce Purnick of "The New York Times."

CLINTON: Good morning.

JOYCE PURNICK, "NEW YORK TIMES": Good morning.

CLINTON: How are you? PURNICK: Mrs. Clinton, I wanted to ask you about the drug war. We have been hearing increasingly from people on both sides of the aisle that it isn't working too well. A lot of people are saying that, in fact, it's failed, we've lost the drug war. We're spending \$20 billion in federal money. There's still addiction. There are still -- there's still demand. There's still supply. And we have millions of people, many of them minorities, in prison. Some of them are there -- in fact, many of them because of non-violent, low-level drug connections and drug actions.

My question is, given the ramifications of this policy, and the cost, why the silence? Why haven't we heard from you -- and from you, Mr. Lazio, you will be rebutting on this question -- about an issue that has such an impact on so many people in this country?

CLINTON: Well, I have spoken out for quite some time, even before this race, on my belief that we should have drug courts that would serve as alternatives to the traditional criminal justice system for low-level offenders, for users. There are good examples around the country where such a court serves as a diversion. If the person comes before the court, agrees to stay clean, is subjected to drug tests once a week, at the end of the year, they are diverted from the criminal justice system.

I also believe strongly that we need more treatment. It is unfair to urge people to kick a habit, to get rid of their addiction, and not have the treatment facilities available that will be there when someone finally makes up their mind to go and get treatment.

On both of those counts, I think we have not done enough. And in the Senate, I would fight for especially New York having the kind of diversionary programs, more of them than what we do have now, but around the country it's important because drugs, as we know, go across borders. And I would fight hard for more treatment.

You know, we've made progress, though. I would have to take some issue with that. We have survived the terrible crack epidemic of the 1980s. We have a dropping rate of drug usage among many of the population groups in our society. But I couldn't disagree that we have more to do, and we should try different strategies that will make us more successful in both cutting the supply and the demand so that people can live without drugs.

KRAMER: Mr. Lazio, your rebuttal?

LAZIO: Yeah. The truth is, Joyce, that, as a matter of fact, under this administration, under the Clinton administration, there has been a dramatic and troubling increase in drug use and drug abuse by our children. And that has not been addressed. In fact, it was many of us in Congress who sought to develop drug -- anti-drug tests for us at the community level.

I crossed party lines in 1994 and built a coalition of Republicans that passed the crime bill. If it were not for that, we would not have drug courts right now. We would not have community policing. We would not be addressing some of the prevention strategies that we are addressing now. We need to do a better job. But the fact is, we need to have somebody in Washington who's got the ability to cross party lines, to be independent, to bring others with him...

KRAMER: Mr. Lazio...

LAZIO: ... to get the job done.

KRAMER: ... out of time. The next question is from Joyce Purnick to Mr. Lazio.

PURNICK: I still don't know why you don't talk about it in the campaign, but I will move on.

(LAUGHTER)

PURNICK: I'd like to ask you about an issue that's come up in the last few days, which is campaign finance reform. I think it's fair to say that voluntary deals are not the best way to go about this, as we have learned. It's almost impossible to pull off. The McCain-Feingold bill that both of you support has loopholes and raises constitutional questions.

My question for you, Mr. Lazio, is will you reconsider supporting public financing of campaigns, as we have in New York City? Mayor Giuliani is here. You can ask him. He's a Republican. I believe he supports it. He participated in it. Can you change your mind and consider it, since it seems that everything else, when dealing with what John McCain says corrupts us all, seems not to work?

LAZIO: Well, I think, first of all, you correctly note that I have supported McCain-Feingold -- actually, Shays-Meehan in the House -- twice. I voted for a whole range of different campaign finance reform measures. And I have run this campaign with that intention by abiding by McCain-Feingold. We have not raised nor spent a dime of soft money to air any commercials in this race.

I do not agree with public financing because I think that people, the voters should decide who actually is elected. I think people should demonstrate that they get some grass-roots support. I've gotten the support of over 100,000 people who have given me, on average, checks of under \$100. There's absolutely nothing wrong with that. I don't think that we should have Welfare for politicians.

I don't think the taxpayers should be forced to support a candidate that they don't believe in. I think it's the essence of democracy, frankly, for us, as people in public office and candidates, to go out and to make the appeal and to talk about the issues, talk about our

experience, talk about whether or not we can be effective in representing them, and for people to make that choice as to whether or not they contribute.

I think that's very important. That's what I support.

CLINTON: Well, I certainly could support public financing. I have said that in the past. I think we need to change the system of campaign financing. But I just have to remark that Mr. Lazio's campaign violated the very simple agreement that we entered into. It was a self-enforceable agreement that anyone could follow and see whether we were abiding by it. "New York Times" editorial yesterday put it very well when he said that it violated the terms of the campaign financing agreement.

You know, last month, Mr. Lazio said that this was an issue of trust and character. He was right. And if New Yorkers can't trust him to keep his word for 10 days, how can they trust him for six years on issues like Social Security, Medicare, prescription drugs and education?

GRAMER: Mrs. Clinton, you were recently honored by the World Jewish Congress for your efforts to help Jewish victims of the Holocaust, many of whom worked in slave labor camps during World War II, and you helped them to get reparations from Switzerland, Germany and many other countries. My question is, are you now willing to help African-Americans whose ancestors were slaves here in the United States get reparations from our country for their years of slavery?

CLINTON: Marcia, I was very honored to be one of the people mentioned and given an honor by the World Jewish Congress for the work that -- although mine was a minor role, the work that led to the recovery of those assets. That was an important piece of history that had to be put to rest.

And on issues of reparations with respect to African-Americans, native Americans, we have some mental and emotional and psychological reparations to pay first. We have to admit that we haven't always treated the people in our own country fairly. We have some issues that we have to address when it comes to racial justice right now. So I'm willing to work hard to be a strong advocate for Civil Rights and human rights here at home and around the world. I want to do everything I can to make sure that the programs and policies that have helped generations of African-Americans have a better life in this country continue.

I think we should be focused on the present and on the future. I was very moved when I visited Gory (ph) Island twice, first on my own with my daughter, and then with my husband. And we do owe, as my husband said that day, an apology to African-Americans for hundreds of years of slavery. But I think that the people I know and the people that I work with want us to stay focused on the future, keep our economy going, keep providing good public education, quality affordable health care, do the things that will enable people to have the best futures for themselves. And that's what I'm committed to doing.

GRAMER: Mr. Lazio, your rebuttal?

LAZIO: Yeah. I need to go back to the last question, if I can. Mrs. Clinton, please, no lectures from Motel 1600 on campaign finance reform.

(LAUGHTER) LAZIO: I mean, the fact is, I took a legitimate contribution of clean hard money. My opponent objected. So because I have such a commitment to campaign finance reform

and to this agreement that I fought so hard for, I refunded the money. I did that quickly. I did it responsibly. And I did it ethically.

Now, on this issue, let me say this. As someone who serves on the Holocaust Assets Commission, as somebody who wrote legislation to extend the commission and to fund the commission, I think this work is incredibly important. I believe in it deeply. I also believe that it is time for us to move past the issue of reparations among African- Americans and work for ways in which we can bring more opportunity and better educational opportunities to African-American children.

KRAMER: Mr. Lazio, your time is up.

And you get the next question. Mr. Lazio, a federal...

LAZIO: Please.

KRAMER: ... a federal panel has attacked the New York City Police Department for racial profiling. Mayor Giuliani has heatedly denied that there's racial profiling, but I ask you, do you agree with the federal panel? And what do you think should be done? Do you think a federal monitor should be appointed to oversee the New York City Police Department?

LAZIO: I believe that New Yorkers can take care of New Yorkers. I don't think we need more federal monitors in here to either tell us who we're going to resolve our land claims situation, kick off private land owners, which is what the Justice Department does or attempts to do, and try to tell us how to keep our streets safe. In fact, the streets of New York are at their safest point ever.

Do I believe in racial profiling? No, I do not. As a former prosecutor, I know that we can do the job without that tool, and we should do the job without that tool. We need to build confidence. Youth community policing. And I think the Giuliani administration has been doing the job for the people of New York. The streets are safer. People can go out again. You see children being wheeled around in carriages, and that's a good sign, families coming back into New York City. It's because people believe that the quality of life is increasing in New York City because of the work that's been done and the partnership that's been developed between Mayor Giuliani and Governor Pataki. And they're going to add one more partner next year in the Senate: Rick Lazio.

KRAMER: Hillary, a rebuttal?

CLINTON: Well, I would just point out to Mr. Lazio that the criticism of your grasping for loopholes came from the "New York Times," not from me.

I disapprove of racial profiling and believe that there's no room for it in any law enforcement effort. The report that's been referred to hasn't even been released yet. I'm going to withhold judgment on that.

But I've spoken out about the need to rebuild trust between our police officers who put themselves on the line every single day and the communities that they're pledged to protect. I want to go to the Senate to make sure that our police have the resources and tools they need to do the very best job, but I also want to go to make sure that our

communities feel safe and well-protected. We need to protect and respect, and that's the kind of formula that I'll take to the Senate.

KRAMER: The next question is from Gregg Birnbaum to Mrs. Clinton. He's from the "New York Post."

GREGG BIRNBAUM, "NEW YORK POST": Mrs. Clinton, the United Nations Security Council has just passed a resolution condemning the excessive use of force by Israel against the Palestinians, but the resolution makes no mention of violence against Israelis. Some consider this to be one of the most anti-Israel resolutions in years. The United States didn't oppose it. The United States abstained. Mr. Lazio said the U.S. should have used its veto power and he charged the Clinton administration has unjustifiably vacillated in its support of Israel.

A statement released by you last night makes no mention of the United States' abstention. Do you believe America did the right thing?

CLINTON: No, I believe we should have vetoed it. I believe that it was a wrong move not to have vetoed it, that it was inaccurate and one-sided. It did not address the violence that I believe is fomented by Chairman Arafat and the Palestinian authority. It did not address what Israel has tried to do, such as showing good faith by pulling out of Lebanon and the fact that there's violence on that border. I was very disappointed because to me, the responsibility lies clearly with Chairman Arafat. I've said that on several occasions over this past week.

But we have to focus on ending the violence. It is escalating out of control. We're seeing the capture of Israeli soldiers, the desecration of Joseph's tomb. It's imperative that Chairman Arafat do everything in his power immediately to end the violence and that people get back to the negotiating table to try to resume moving toward a comprehensive peace settlement that would make it clear that Israel's security would be safe and guaranteed.

The United States remains the guarantor of Israel's security, and in the Senate, I would certainly be a strong voice for doing whatever was required. I've also called on ending -- on conditioning aid to the Palestinians on their willingness to end violence, on their willingness to rid their textbooks of anti-Semitic and anti-Israeli statements. I feel very strongly right now that we're at a moment of danger and peril. We need to have everyone speaking out, and Chairman Arafat and the Palestinians must respond.

KRAMER: Mrs. Clinton, that was time.

Mr. Lazio, your rebuttal. LAZIO: Well, Gregg, you correctly noted that, in fact, I did issue a statement immediately disagreeing and expressing my strong disappointment with the -- America not using its veto power. I don't know why we have a vote if we don't exercise it in a case like this.

For several generations and for -- and several administrations from both parties, we have had unequivocal support for the state of Israel. This sends all the wrong messages about whether or not we stand firmly behind our Democratic ally in the Middle East. They need to know that we stand behind them, stand by their side.

I do not support call for a Palestinian state. My record is one of 100 percent consistency for the security of the state of Israel and for our alliance.

KRAMER: Gregg, your next question.

BIRNBAUM: Mr. Lazio, I'd like to ask you about a quote from one of your recent speeches. I'll read it. "I think this is the most important race of my generation. This is a race that will determine whether character still counts in public service, whether or not integrity matters, whether the rule of law applies to all or just to some privileged people." That was in Watertown on September 29th. But you say those words almost every time you address a crowd. So I'd like to ask you to explain them and how they apply to Mrs. Clinton.

LAZIO: Well, let me talk about how they apply to Mrs. Clinton. I think it's more important that I talk about myself. For 17 years, I've served New York. I've served as a prosecutor, as a local legislator. And for the last eight years, I've served in the United States Congress.

I'm known as somebody who brings people together. I'm known as somebody whose word you can trust, you can work with. I believe that I have demonstrated an integrity in terms of my public service, and I've been effective for the people of New York. That's why the people of my district that sent me back by the widest margins in the history of my district: because they know they can count on me, that they believe in me. And they know that I will vote my conscience.

So when I say that, I think that what I'm trying to say is that I try to be a man of character. I try to be a good role model for my two little girls, Molly and Kelsey (ph), who are going to second and third grade right now. I'm going to try and be a good role model to other children as well. I'm going to stand up for the values that I believe have made New York strong.

As a grandson of immigrants that came over, saw the Statue of Liberty and then got processed through Ellis Island, as a son of a son small business owner that came back from World War II without a dime in his pocket and fulfilled his dream to start a small auto parts store, and now as somebody who's lived the dream himself of being able to go to represent the people of New York in Congress, I believe I have, not just an obligation but it's my sense of honor to go out and to make sure that I do the job the way I think they want me to do it.

KRAMER: Mr. Lazio, your time is up.

Mrs. Clinton, your rebuttal.

CLINTON: Well, you know, I'm also the granddaughter of immigrants and the daughter of a small businessman, but I was raised to believe that we had to look out for each other and that we had to be willing to work hard to provide opportunities for ourselves, our families and others. I can't even imagine ever voting with Newt Gingrich to shut our government down. I can't even imagine being on the side of those who time and time again vote against our most fundamental beliefs, voting for the first two welfare reform bills that the president had to veto that would have been devastating to New York.

And time and time again, if you look at my opponent's record, he'll only tell you half the story. You've got to look behind it to understand exactly what he's talking about. You can

just take me for what I say when I tell you that I will work for the issues I've worked on for 30 years.

KRAMER: OK, Mrs. Clinton, recently, a number of proposals have been put forth to build the large dome stadium on the west side of Manhattan. Do you think that taxpayer money should be used to build such a stadium?

CLINTON: Well, with all due respect to Mayor Giuliani sitting in the front row, the answer is no, I don't. I love sports and I love the opportunity for people to go to sports, but I don't think that's a good use of that space and place or of taxpayer dollars.

I think there is a lot of work that we need to do to upgrade the infrastructure of New York. That's why I support the Second Avenue subway. That's why I support the East Side connector, why I would support a rail link to La Guardia and to JFK. There is work we need to do to repair our bridges and roads, to make sure that we're prepared for the 21st century.

I've worked very hard to educate myself about all the infrastructure needs that are required around the state of New York because I think we have to follow in Senator Moynihan's footsteps and saying that we need to have public buildings and public works that really reflect the greatness of New York. I will go to the Senate to continue the work on Penn Station and others that Senator Moynihan has started.

And one of my fundamental disagreements during this campaign with my opponent was when he called for the repeal of the gas tax. Now the gas tax is one of those few taxes that New York actually gets more money from Washington than we send, and we are totally reliant on it to do things like finishing I-86 in the southern tier or the fast ferry harbor works up in Rochester, as well as the work we need to do here in the city.

So you can count on me to support infrastructure, but I'm sorry, mayor, I can't go with the dome stadium.

(LAUGHTER)

KRAMER: Mr. Lazio, your response.

LAZIO: First of all, let me say this. I think it's important that New York gets the Jets and the Giants back here. I think it's important that we have a focal point, where we build economic development. And this is not just a plan for a stadium; it's also a plan for expansion of convention space, which is very important.

I think private money needs to be on the line here as well, though. I don't think this should be funded with public money entirely. But I believe that this is an important development, an important initiative to try and build jobs, more jobs for New York.

I should note, and I think my opponent knows this, that when I did call for the repeal of the gas tax -- I know she loves the gas tax, but let me say this. We would not take one dime from the trust fund. We made that clear when we had the proposal. I voted against the gas tax cut in 1993.

KRAMER: Mr. Lazio, your time is up.

LAZIO: I'm opposed to it now.

KRAMER: Your time is up but you get another opportunity to talk because I'm going to ask you another question.

LAZIO: Good.

KRAMER: Mr. Lazio, how would you address the dichotomy that has developed over regional jet air service in New York? On the one hand, upstate New York is woefully under served with direct flights, while in New York City and in the metropolitan area, the world's most congested air space, is plagued with delays and delays and delays. And airports like La Guardia have run out of runway space.

Now with Air 21, the federal government is allowing airlines to add hundreds of flights. In fact, at La Guardia alone, they're allowing them to add 200 flights a day to the 1,200 that already depart from that airport. How would you propose to fix this?

LAZIO: I think, first of all, we need to open up more of these slots to lower costs, competitive airlines that will bring the kind of quality service at low cost to some of our upstate areas that they desperately need to thrive economically. I did that down in Long Island. We partnered together with the local level with the town supervisor that controls the airport, a guy by the name of Pete McGowan (ph).

We made sure we went after Southwest Airline. I did my job. We made sure we delivered the federal dollars that were necessary to upgrade the airport so it made it more attractive for Southwest to come in. And because they came into Lsup (ph), they're now going into other areas throughout upstate at costs that are very low. That's good news. It's good news for other airlines, other low-cost airlines that come in and to compete with Southwest. I think the point is is that you've got to have the ability to work with local people to get the job done, to stay focused, to deliver federal resources. That's my experience. I think we need to make sure that we do not overburden our capacity for having safe flights in and out of our two busiest airports: JFK and La Guardia.

I also think it's important, though, for us to continue to open up new slots for lower costs, discount airlines, to service the upstate economy and those airports down on Long Island as well.

CLINTON: Well, I agree with what the congressman said. I think that we do need to make sure that those increase in slots will provide more low-cost transportation up to upstate. That's been part of my specific upstate economic plan for a year now, that we need to do more to get the price of transportation down and get the adequacy of it up all across upstate.

But I think we also have to be very concerned about the environmental effects and the safety implications of any expanded service. I think that we have to look carefully at La Guardia and JFK to make sure that we prioritize among the flights that are going in and that we don't overburden those flights and the neighbors who live in those areas who are already suffering under a lot of noise and other inconvenience to them.

KRAMER: Mrs. Clinton, your time is up. I have another question for you, though, so you can continue if you want to. But I'd like to ask you how you stand on Federal Bill 602P. I'm going to actually tell you what it is.

CLINTON: I have no idea.

(LAUGHTER)

KRAMER: I'm going to tell you what it is. Under the bill that's now before Congress, the U.S. Postal Service would be able to bill e-mail users five cents for each e-mail they send even though the post office provides no service. They want this to help recoup losses of about \$230 million a year because of the proliferation of e-mails. But if you'll just send 10 e-mails a day, that would cost consumers an extra \$180 a year. So I'm wondering if you would vote for this bill. And do you see the Internet as a source of revenue for the government in the years to come?

CLINTON: Well, based on your description, Marcia, I wouldn't vote for that bill. It sounds burdensome and not justifiable to me. I have been a supporter of the moratorium on taxation on the Internet. I think that we do have to let loose this extraordinary communication device and see how far it can go in connecting people up. And I'd like to monitor this closely and take a look at it in the time when the moratorium expires.

But is important that we do everything we can do build the infrastructure of New York to take advantage of the Internet. I have been all over this state to all 62 counties and I've been in countless schools, and some of them are the best in the world and the most highly wired and others are not. If we're going to take advantage of the new information economy, we have to be sure that all of our citizens and particularly our children are well prepared. That's why I have proposed high-tech infrastructure bonds as part of my economic plans that would enable us to provide low-cost Internet access and broadband access around the state. It's why I hope that we'll do a better job in providing the computers and Internet access to all of our children and all of our schools so that no child gets left behind. And it's why we need to close the digital divide throughout the state.

New York should be as Silicon Alley is: a beacon magnet throughout the state for the new economy. And I want to be partner with local officials, business, labor and others to make sure that happens. So I don't want anything to interfere with that kind of opportunity.

KRAMER: Mr. Lazio, your rebuttal.

LAZIO: I am absolutely opposed to this. This is an example of the government's greedy hand in trying to take money from taxpayers that, frankly, it has not right to. We need to keep the government's hands off the Internet. It has a capacity for creating more jobs, more high-paying jobs for New Yorkers than any other potential sector in the future. That's why I have voted for a moratorium on taxes on the Internet. That's why I have a hundred percent record on high-tech issues because I know that's important to New York.

I've been building partnerships with local businesses to create jobs for our young people. And I'll tell you, it's very, very important for us to keep our taxes low. And I distance myself, frankly, from Mrs. Clinton's 15 different support -- 15 different tax increases...

KRAMER: Mr. Lazio, your time is up but I have another question for you.

LAZIO: OK.

KRAMER: I'd like to direct your attention again to the Middle East and to what is believed to be the thing that started it all off. And that was Ariel Sharon's visit to the Temple Mount. It has now escalated in Israel to the point where just yesterday, Palestinians attacked the sacred Jewish shrine, the tomb of Abraham. I'm wondering if you blame Ariel Sharon for setting off the violence and how you can guarantee Israel that other shrines it might have to give up in the peace process would not fall in a similar situation and can be protected.

LAZIO: I think that every Palestinian, every Israeli, every Jew from the world is really entitled to have access to Temple Mount. I don't think the fact that Ariel Sharon went there led to the violence. Let's put the blame where the blame is due and telling Yasser Arafat -- Yasser Arafat is the one who unleashed the violence. Yasser Arafat is the one who has been developing camps for Palestinian children to learn how to kill Israeli children. That's absolutely wrong.

The violence has occurred as a result of an orchestrated effort to try and undermine, I believe, the peace process. And I think the responsibility lies with Yasser Arafat. That's why it was so important for America to exercise its veto yesterday, and it failed to do that, and I'm greatly disappointed about that. That's why it's important for America not to vacillate, to stand in an unequivocal way and say, "We're going to stand four square behind the security of Israel." That's what I have done for my entire career in Congress because it's the right thing to do, because I believe that the survival of the Jewish people throughout the world depends on the survival of the Jewish state.

KRAMER: Mrs. Clinton.

CLINTON: Well, I have said that I think any person who shows respect toward any religious shrine or holy place should be permitted to visit. So I cannot point a finger or blame someone who did that. It should be open to all people. In fact, since Jerusalem was once again under Israeli control, that has been the case, that Jews, Christians, Muslims are all welcomed to come to the holy places that they revere.

The blame does belong on Chairman Arafat and his refusal to exercise his total authority and complete power to end the violence. People are losing their lives. Israeli soldiers are being captured, tombs are being desecrated. This must end.

KRAMER: OK, we have time for one last question. It's going to be addressed to both of you. You'll each have 90 seconds to answer the question.

Mrs. Clinton, you will go first. Mrs. Clinton, there is a term that has been thrown around a lot in this campaign. Very simply, define a New Yorker.

CLINTON: Well, you know, E.B. Wyatt (ph) and others have done that over the years and what's so great about being a New Yorker or defining a New Yorker is that New York has always been a magnet for people from literally all over the world. People are drawn to New York because this is a place that you can stake your claim, you can build a future, you can dream your dreams. It is the place that my grandparents came through as well. And it is a place that I've always known, welcomed everyone from everywhere including immigrants from Washington, D.C.

(LAUGHTER)

So for me, New York represents the best, not just of America, but of the entire world. There isn't anyplace like it. I have had the most extraordinary time this -- more than a year now, 15 months traveling throughout this state and being in this city, going from neighborhood to neighborhood, from borough to borough, from county to county, and I've met people literally from all over. The Census Bureau says that 40 percent of the people living in New York City were not even born in this country.

We have the opportunity to demonstrate in New York that what it means to be a New Yorker is to be the best human being you can be, to do the best with your life you can do, to dream the biggest dreams and to get along with everyone else, to demonstrate that we can make this wonderful patchwork quilt of a place not only work but demonstrate to the rest of the world that people from different backgrounds and experiences not only can get along but build a better future.

KRAMER: Mr. Lazio, your 90 seconds.

LAZIO: Well, I think New Yorkers have a saying. They say, "You know, you got to tell it like it is." And for me in my life, I think very much a lot of New Yorkers can relate with the things I've been talking about. I can relate with their lives, the fact that we have a great melting pot here in New York. Our ethnic diversity is our strength. It's dynamic. It's changing. It's exciting. It's why people from throughout the world want to come to New York.

We're tough, bottom-line people. Let's face it. We want to see results. We want people who are going to be effective. We don't want to hear a lot of stories and talk. We have a respect for people to get the job done and to tell the truth. We have a history of rolling up our sleeves, of building the tallest building in the world at the time, the Empire State Building, calling it the Empire State Building, of building the Brooklyn Bridge, the Erie Canal, of doing the things that help build the name that we call our state, the Empire State.

I'm very, very proud to have been a life-long resident of this state, to have had all my roots here, my friends and my family from this state. And I'm going to be very proud next year to go back with the voters' help, and God willing, to represent this great state in a way that will make it proud.

KRAMER: Well, you know, it turns out you've been so good at answering your questions that there's time for just one more question. And it's going to go to both of you. You'll each have a minute -- Mr. Lazio will go first. It's a conservation question. There are a lot of people who think that we're using too much oil and too much gas, and the way to do it is to conserve, doing things like asking the gas companies to make sure that their tanks get 30 miles per gallon, reducing the speed limit to 55, things like that. Your position on that.

LAZIO: I absolutely believe that we have -- need to develop a comprehensive energy strategy. I think this administration has got no energy strategy. I think in a moment of candor last year, Energy Secretary Bill Richardson, who I really like and I've worked with as a House member, said we were caught napping. He was right. Well, maybe he understands it. Maybe they were outright snoring, quite frankly.

The fact is that there was no strategy to develop alternative, renewable energy sources. There was no strategy to ask the allies that we went to bat for in Kuwait and Saudi Arabia to respect our needs and to boost their oil production. There was no real strategy in terms of developing the kind of new energy technology like plug power up in Albany, cell technology that is incredibly promising.

We need to open up the grid to competition to drive down the price of energy. That will help create jobs, create a more favorable business climate in upstate New York and throughout the whole state of New York. I think those things are very important. I think we need to have access for both natural gas and for oil. We need to do a better job in building public and private partnerships to get that done.

KRAMER: Your time is up, Mr. Lazio.

Mrs. Clinton.

CLINTON: Well, I've spoken about the need for an energy policy for many, many months and that energy policy would, of course, include conservation measures, possibilities that would include the kind of conservation tax credits that the Republicans have blocked for time after time in the last several years. The administration has put forth an energy policy that, you know, we just couldn't get through that Republican leadership that my opponent is part of.

Well, we need a new Congress that will take this energy conservation and energy efficiency issue seriously. I was pleased when the president did release some of the oil from the strategic reserve and it has resulted in lowering the price. But we've got to do a lot more. We need to make sure we have a Northeast oil reserve, something that I called for, my opponent missed the vote on and then Republicans in the House and Senate ripped it out of the final bill.

So we have work to do and it needs to be bipartisan, but it needs to be led by Democrats who understand that we shouldn't be beholden to big oil but instead should get out there and do what we need to do to be independent.

KRAMER: Mrs. Clinton, your time is up.

The question portion of the debate is now concluded. Now each candidate will have 60 seconds for their closing statements. By a flip of the coin, Mrs. Clinton will go first.

Mrs. Clinton.

CLINTON: Well, I want to thank you all for giving us this opportunity to talk about the issues. You know, for months now, my opponent has been sending out a campaign fund-raising letter which says that, "All you need to know about this election are six words: I'm running against **Hillary Rodham Clinton.**" Well, I think New Yorkers deserve more than that. How about seven words? How about jobs, education, health, Social Security, environment, choice? How about the issues that New Yorkers talk to me about and that I've been talking about as I've been running a campaign on the issues?

I want to go to the Senate to make sure we keep the economy strong, that we do what's necessary to bring down the national debt, preserve Social Security, provide a prescription

drug benefit for Medicare and offer affordable tax cuts like making college tuition tax deductible. And I want to fight for education, for health care, for the environment and for a woman's right to choose.

Now those are the kinds of issues that I will work on because they are part of what I've done my entire life and part of what I've done in this administration. And I would appreciate your help and your vote to be able to carry on that work.

KRAMER: Mr. Lazio.

LAZIO: Thank you, Marcia. Thank you for the opportunity.

At the beginning of this 21st century, the outcome of this race will define what New Yorkers value most. Will it be bipartisanship and effectiveness? Will it be building alliances and working well with others? Will it be a proven record for the job, relevant experience and a life-long devotion to this state, New York? These are the qualifications that I bring to this position, a position of high trust to the United States Senate.

Now I think we have an opportunity here in New York. We have an opportunity to send a message nationwide. Let our message be that it's people rather than government that we trust most, that the most compassion is a plan that works, that the right incentives can make things better, and that if you don't stand up for something, you'll put up with anything. I ask for your support.

KRAMER: Well, thank you, Mr. Lazio and Mrs. Clinton.

I also want to thank our panel of reporters, Jeff Greenfield, Lars-Erik Nelson, Joyce Purnick and Gregg Birnbaum. We also want to thank the members of the live studio audience for being here.

And even before the election day, you actually have a chance to be heard. You can log on to CBSnewyork.com and let us know who you feel won the debate.

I'm Marcia Kramer. Have a terrific Sunday.

BLITZER: You've been watching CNN's live coverage of this second debate between the New York Senate candidates **Hillary Rodham Clinton** and Rick Lazio.

Just ahead, a special post-debate "LATE EDITION." Among our guests, the Republican Senate candidate, Congressman Rick Lazio. "LATE EDITION" will begin right after this.

"Inside Politics," CNN, 12/5/2000

SHAW: This is orientation period for certain senators-elect on Capitol Hill. Two of them: Democrat Hillary Clinton from New York and Jon Corzine from New Jersey -- they talked to reporters. And this is some of what they had to say.

(BEGIN VIDEO CLIP)

SEN.-ELECT **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, I've had a very good day. Jon and I have been going through orientation together. And I think that, for me, it's been the great privilege to be here, especially with the other new senators with whom I'll serve, all of whom are impressive and as committed as Jon and I are to the work ahead.

And I was just thinking, you know, I hadn't spent much time in this building since 1974, when I worked for the Congress, and 1968, when I was an intern. So I'm delighted to be back and rediscovering the beauty of the Capitol.

QUESTION: Senator, what was your meeting with Senate Majority Leader Lott like? Could you talk about that meeting a little bit?

CLINTON: I think -- let Jon say a few words first.

JON CORZINE (D), NEW JERSEY SENATOR-ELECT: Well, we -- I think all of us have a sense of the history. We just came out of a remarkable session with Senator Byrd, who gave a perspective and an imperative to all of us to take the responsibilities of being a United States senator, representing the separations of powers effectively and forcefully, in a way that I think is inspiring to all of us. And I'm sure it was to the first lady.

She's inspiring to all of us. But I think that this moment in history and that this institution is pretty remarkable. I think it catches anyone's attention, whatever your perspective.

CLINTON: I think that all of us who just listened to Senator Byrd were struck by not only the history, but the challenges that each time faces. He really put into perspective some of the early challenges that senators in the beginning of the 19th century faced, all the way to the present time. And that just increases our feeling of responsibility that this day has impressed upon us.

QUESTION: Senator Kay Bailey Hutchison today said that you are kind of a blank slate as far as the impressions up here are concerned. How will you make your mark? How do you plan to make your impression up here?

CLINTON: Well, I'm pleased to learn that I am...

(LAUGHTER)

CLINTON: That's very good news. I intend to work as hard as I can and to represent the people of New York to the best of my ability, to work hard to serve my constituents, to work with my colleagues, wherever and whenever I can, on behalf of our country. So I'm absolutely hoping to build relationships and create consensus with every senator.

(END VIDEO CLIP)

WOODRUFF: First lady **Hillary Rodham Clinton**, Senator-elect **Hillary Rodham Clinton**, with New Jersey's new senator-elect, Jon Corzine.

"Larry King Live," CNN, 12/11/2000

LARRY KING, HOST: Tonight, the first lady and the new senator from New York, **Hillary Rodham Clinton** on politics and life at the White House.

And on day 34, all eyes turn to the U.S. Supreme Court. What will the justices decide? Joining us in Washington, the governor of Montana, Marc Racicot, he's close to Governor Bush; and in Tallahassee, Ron Klain, Gore campaign senior legal adviser; then in Washington, one of the men who argued before the U.S. Supreme Court, Ted Olson, Bush campaign attorney.

All that and our roundtable, next on LARRY KING LIVE.

We begin with our conversation taped earlier this afternoon with Mrs. Clinton.

(BEGIN VIDEOTAPE)

KING: We now welcome to LARRY KING LIVE -- another visit, she's been on frequently -- **Hillary Rodham Clinton**, the first lady of the United States, senator-elect in the state of New York, author of the new book, "An Invitation to the White House: At Home With History." We'll talk about that a little later on.

How do I address you now? I've known you so long. Is it Madam First Lady, Hillary, Hillary Rodham, Senator?

HILLARY RODHAM CLINTON (D-NY), SENATOR-ELECT: It's a little confusing, isn't it?

KING: Yes. What do you like the best?

CLINTON: Well, I -- gee, all of those are, you know, really wonderful things.

KING: Do you call a senator-elect a senator?

CLINTON: I don't know. That's a good question. You know, I've been telling people that I'm not a senator until I'm sworn in on January 3. So, how about Hillary?

KING: Just senator-elect. Do you like the term senator?

CLINTON: I do like the term, yes. KING: It fits?

CLINTON: I feel very good about it. You know, it was a great campaign. I had the help of thousands and thousands of people across New York and lots of friends around the country.

And I'm very excited. I went to Senate school last week.

KING: What was that like?

CLINTON: It was great.

KING: Senate school.

CLINTON: Yes. I mean, it was wonderful. I mean, we had an opportunity to hear Senator Byrd talk about the history of the Senate, and we did it in the old Senate chambers where so much of that history took place.

I spent time meeting my new colleagues, both Democrats and Republicans. It was a really good way to start getting oriented toward the Senate.

KING: Did you get your office yet?

CLINTON: No. That won't happen for several months. We're all -- as the new freshman class, we're all in the basement of the Dirksen Building, waiting until we...

KING: You're in the basement?

CLINTON: In the basement, because we have to wait our turn to see what space is available. The seniority system works so that people can move. And people who retired or lost will obviously vacate their space and then...

KING: The next one moves up.

CLINTON: ... the next one moves up. And then, you know, I'm down toward the bottom of the order.

KING: Doesn't the Secret Service say, "We'd rather have her in this..."

CLINTON: No. It's all by seniority.

KING: They don't have clout?

CLINTON: No, no clout -- no clout.

But that's fine. We'll be -- you know, we'll have a good time no matter what.

KING: Lots of things to talk about, but first things first. What do you make of all this? And I don't even have to say what "all this" is. **CLINTON:** Well, you know, as we're speaking, the Supreme Court arguments are going on and we don't know what the outcome is going to be.

KING: So let's say what if. What if the outcome is they can't vote anymore -- they can't count anymore? Or what if it's Bush is -- will be president, do you expect Gore will give it up?

CLINTON: Well, you know, I'm not going to engage in the what-if game. I think that, you know, from everything I've seen and heard, more people probably did intend to vote for Vice President Gore. And I would hope that there will still be an opportunity to have the votes counted, because I think that's the best for whoever is inaugurated as president. But it's now in the courts, and we'll leave it to the Supreme Court, which we'll find out maybe later today or tomorrow.

KING: If the court says -- well, let's say they say it's Bush. Can you -- what is it going to be like, do you think, working with a president of the other party, with a 50-50 Senate?

CLINTON: Well, I think everyone's going to have to make a real effort to work together. There's too much at stake for the country. I certainly intend to work wherever I can in a bipartisan way, both with fellow senators and members of Congress across the aisle, as well as with anyone else, including a possible administration.

I think that on so many of the matters that the country cares about, we were divided nearly 50-50 in the presidential race; we are certainly divided very closely in the Congress. So I think that...

KING: Divided in the court.

CLINTON: And divided in the court.

So there has to be an effort to reach across party lines and look for ways that people can cooperate.

KING: Of course, you could make it a stagnation, right? Either party can do that.

CLINTON: Well, that certainly is the prerogative, I suppose, but I hope that's not the priority of either party or any leader of either party, because when you come to questions about the economy or education or health care, these are all matters that I think despite the closeness of the election, the American people have made clear they want some action taken.

KING: Do you think we ought to change our voting system? Do you think that the federal government ought to help local communities by supplying equipment? I mean, this is the year 2000. You would think that we could vote like an ATM machine.

CLINTON: Well, Larry, I think we have to take a hard look at how we vote, and particularly in federal elections. There ought to be a way for the federal government to perhaps provide some assistance, to work toward a standardized ballot that states would be asked to consider accepting. I think that these are all matters that will be taken up in the 107th Congress.

But it's critical that people have confidence in our electoral process.

You know, I went all over the state of New York, as I have on behalf of my husband and other candidates over the last 30 years, urging people to vote, trying to reverse the trend of the last 30 or 40 years of lower and lower voter turnout. I just don't think we can afford for people to believe that their vote wouldn't even be counted literally, so that when we tell and encourage Americans to get out and vote, we really mean it and that we'll have a system that can fairly and accurately count their intention to vote for the candidate they chose.

KING: Of course, it seems ridiculous if the chad doesn't get punched through and the machine can't read it, and there are so many things we can do electronically today that, that should be covered.

CLINTON: Absolutely.

KING: Didn't we think that everybody voted the same way? In New York City, when I grew up, we pulled levers.

CLINTON: Right.

KING: They still do that? They pull levers?

CLINTON: That's what I did in Westchester, right.

KING: That's the safest, because you can't vote for two people for the same office. You can change, turn the lever back, and when you open the gate it's open. Why can't that be standardized? It seems simple.

CLINTON: Well, yes, I like voting machines, because, just as you described them, they make voting very clear and you can't really make a mistake. If you try to vote for two people in the same office, the machine won't let you do it.

KING: Can't.

CLINTON: But in New York, for example, which does use those machines, people aren't even making some of the machines that are still used, they're hard to get spare parts for. So we have to take a hard look, perhaps with a commission or some kind of joint congressional committee, to look and see what is the best technology, the safest, most accurate technology, because questions can be raised about any form of voting.

You know, some people talk about online voting, but imagine if there were an electrical surge or a blackout and whole states or regions of the country lost their votes. How would we handle that? So every way we think about voting will have some questions.

But clearly we have to learn from this experience that in our democracy, the oldest surviving democracy in the history of the world, the most fundamental task for our government is to provide an election that people have confidence in, and so when they go to vote they know their vote will be counted.

KING: In a minute, we'll ask about whether you think this president, no matter who it is, it's a tainted presidency.

We'll be right back with **Hillary Rodham Clinton**, senator-elect, state of New York, first lady United States, mother, husband, wife. We'll be right back.

(LAUGHTER)

(COMMERCIAL BREAK)

KING: You're an only, you're the only first lady ever to win elective office.

CLINTON: So far.

KING: Is it going to be -- the Secret Service won't be allowed on the Senate floor, will they?

CLINTON: No, no.

KING: They have to stay up in the gallery.

CLINTON: Well, they're working it out with the Capitol Police and the sergeant of arms, who have been very cooperative, they understand the issues that they have to take into account.

KING: Is this a tainted presidency?

CLINTON: I hope not. I mean, I really hope that however this is finally resolved, that the country will, you know, really decide that we need to act in a bipartisan way, and we'll do so.

KING: If you could change the Constitution, would you make it a popular vote?

CLINTON: Well, I would, because I think that, that really is the intent of one person, one vote.

But I have no illusions that, that is not likely to occur, because it would take a constitutional amendment. That's why I favor doing everything we can to make our electoral systems as fair and accurate as possible.

KING: Everyone has said, except maybe you, that you are going to run for president someday. So let's -- I mean, let's say Gore loses. That means the Democratic Party has no incumbent. Are you interested in that office in '04?

CLINTON: No, I'm not.

KING: Not at all? **CLINTON:** No, no. I am intent upon being the best senator that I can be. That is what I want to do. I really feel like the people of New York gave me a great honor to give me the opportunity to serve, and that's what I am interested in doing. You know, all of the work that I've done for 30 years now -- it's almost hard to imagine -- going back into my young adulthood, concerns, you know, children and families and education and economic opportunity and health care.

I think we will have an opportunity, no matter how our presidential campaign is finally resolved, for people of good faith to reach across party lines and try to hammer out some of the solutions that I really think the American people want us to work toward.

KING: Did you tell the people of New York that you are going to stay the six years?

CLINTON: Yes, I surely did.

KING: And you wouldn't change that?

CLINTON: No, I wouldn't.

KING: So that's as definitive as you can get, right?

CLINTON: As definitive as I can get.

KING: Are you complimented by the thought?

CLINTON: Well, people say a lot of things about me. Some of it is not complimentary.

KING: How did you react to the bitterness, the anger that, that campaign presented for a while? I mean, you won it rather clearly, but...

CLINTON: You know, I...

KING: Did you like it?

CLINTON: I loved campaigning.

KING: You did?

CLINTON: I did. And I absolutely fell in love with every part of New York. I cannot tell you how much I enjoyed the days that I spent on the campaign trail, traveling all over, staying in people's homes...

KING: Even Bensonhurst?

CLINTON: I loved everywhere -- everywhere. But now you said you were going with me, and you didn't come, so...

KING: My friends Sid (ph) and Ashley (ph), they were going to go with you.

CLINTON: Yes. So we'll have to reschedule that.

KING: You did well there, though.

CLINTON: I did. I did. I was very gratified by the outcome of the election.

KING: Committee chairmen, now, there's a movement here now to -- that the Republicans say since they -- it's 50-50, but they have the vice president if Bush is the president. The Democrats want committee chairmen shared. What do you think?

CLINTON: Well, I think there are a number of issues that Tom Daschle as the leader of the Democrats will be negotiating with Senator Lott, and that's one of them. But there are other issues, the seats on committees, staff and other budgetary considerations, the rules of how the Senate operates.

You know, I was very impressed by what Senator Byrd told us in his lecture about the way the Senate has always functioned, ever since the early 19th century, so that individual senators were able to present amendments, that matters could be brought to the floor. And I think we need to, you know, have an agreement to go back to having the Senate function the way the Senate historically has functioned.

So there's a lot at stake in these negotiations.

KING: You'd favor co-chairmanship, though?

CLINTON: No, not necessarily -- not necessarily.

KING: No? No?

CLINTON: No, because I think that it'll either be 51-49, or 50-50 with a vice presidential tie-breaking vote. And so, I think that that's something to be negotiated.

KING: Any committee you'd want to serve on?

CLINTON: Well, I'm open to a number of committees, and we're not going to...

KING: What would be your favorite if you could pick one?

CLINTON: Well, you know, I'm not going to get into that right now, because I'm standing in line like everybody else.

But we don't even know how the committees will be chosen, because as you just pointed out, we don't know how many members will be on the various committees. And I'm just going to wait my turn. The Democrats will make those decisions at the leadership level. And I'll work as hard as I can on whatever committee I'm appointed to.

KING: Did you take offense to Trent Lott's statement that you're -- don't expect anything, you're just another wheel in the -- cog in the wheel?

CLINTON: Well, you know, I'm just one of a hundred, and that is -- that's a factual statement.

KING: You didn't take -- you didn't...

CLINTON: You know, people say things sometimes in the heat of partisanship. And we've had a very cordial encounter in the Senate. We went from Senator Daschle's office to Senator Lott's office, and he gave us a wonderful history lesson about that office and the role that it's played in the history of the Congress.

KING: How did he treat you?

CLINTON: Very cordially. Very collegially, which is what I expected. I have gotten to know him and his wife over the last eight years, and I expect that, you know, there will be differences, obviously. He has a role to play and a party to represent.

But I imagine wherever we can, we'll try to work together. And certainly, I see no reason for us not to be in a very collegial, cordial relationship.

KING: So you're optimistic that this government can work, that this can be four fruitful years, no matter who's at the -- who's sitting at the -- your old -- in your old -- in this house?

CLINTON: Well, I believe that America is at heart an optimistic country, you know. We are people of an optimistic spirit. And we have work to do, and work doesn't get done if people are drawn into battles over issues that are not going to make a difference in the lives of ordinary Americans.

You know, my hope is that in my work and the work of those in the Senate, you know, we will be able to keep the economy strong and growing, we will be able to improve education and provide health care and protect the environment, all of the things that I campaigned on. You can't do that if you're more interested in scoring political points.

KING: How about the leftover vituperativeness?

CLINTON: Well, that's for others to judge. You know, I...

KING: You admit it's bitter?

CLINTON: Well, there has been a lot of bitter feelings and rhetoric, but I think that if you are willing to overlook that, not let it get in the way of trying to forge some solution to a problem, to try to help people, it certainly is possible, and that's what I'm going to try to do.

KING: We'll talk about this house, Christmas here, and with the lady of the house. She's still the lady of the house, **Hillary Rodham Clinton**, senator-elect New York. Don't go away.

(COMMERCIAL BREAK)

KING: OK, you write "It Takes a Village," you write "Dear Socks, Dear Buddy: Kids Letters to First Pets," and now we have "An Invitation to the White House: At Home With History."

CLINTON: Right.

KING: And you don't make money from this, right? It goes to the White House Historical Association...

CLINTON: No, all of it goes to the White House Historical Association.

KING: Simon Shuster published.

This is what, the 200th anniversary?

CLINTON: This is the 200th anniversary of this wonderful house. You know, the first occupants were the Adams. And although President Washington chose the site and oversaw the construction, he never lived here.

KING: He surveyed it.

CLINTON: He surveyed it, absolutely. And Thomas Jefferson submitted an anonymous design plan, which wasn't chosen.

But over these 200 years this house has really served as a symbol of our democracy, as a office for the presidents, and a museum for American history and culture, as well as a home.

KING: So the book -- the book is a compendium of those years?

CLINTON: Yes. The book is really an inside look at what it's like to live here, both the informal moments that we spend together as a family, but the more formal, public moments as well, the historic peace treaty signings, the state visit of Nelson Mandela, the kinds of things that I wanted to give people a behind-the-scenes look at. And I wanted to share this experience, which has been not only unique, but so wonderful for me personally and for our family.

KING: Last Christmas here, thoughts on that.

CLINTON: Well, it's really kind of...

KING: Because you love Christmas.

CLINTON: I do. I love Christmas.

KING: You've spent a lot of Christmases here.

CLINTON: Yes, we have. This is our eighth Christmas. Well, it's a bittersweet moment, I mean, because it will be our last Christmas. But we are trying to enjoy every minute of it. I'm not sure that any of us will get much sleep between now and the end of the season, because we are trying to be as open and entertaining as we can of so many people who are going to come that we can say thank you to and good-bye to.

So it's been a reflection of the previous years, that's really the theme for this Christmas season.

KING: How'd you get the idea to do this book?

CLINTON: You know, people ask me all the time, you know, what's it like living there? And how many rooms are there? And what's a state dinner like? And how do you decide what to serve? What's it like meeting the famous people that you've met?

And this couldn't possibly cover everything that has happened, but it does really put the focus on the house, which no matter who the first family is, no matter what president sits here, this house is bigger than any of us, and it goes on and on.

And the permanent staff is such a treasure that I wanted everybody to know what I know about the people who serve no matter who the president is. They are here to make the house run, to keep it beautiful, and to help any first family.

KING: Do you have a favorite room?

CLINTON: You know, I have so many rooms.

You know, this one that we're in right now is the Map Room, and this is where President Franklin Roosevelt plotted our strategy for the Allied victory in World War II.

KING: This was the last map he saw, the German embankment right behind me.

CLINTON: Well, exactly. And when I got here, I asked, "Well, what is this room?" And I was told its historic significance. But there were no maps left. So I started a hunt that ended with finding a young -- at that time, a young lieutenant, still alive, who was serving President Roosevelt when he died at Warm Springs, Georgia.

And this was the map that President Roosevelt was working on when he died, and this young lieutenant rolled it up and took it away and has had it for all of these years. And when he heard that, now that he's an obviously much older man, that we were looking for something that would really signify the importance of this room, he donated it to the White House.

And I've walked in here for meetings, and I've seen people staring at it. One time I came in and there were tears running down a man's face because he'd been in the Allied forces that fought their way from Italy north. Another time, I came in and there was a very distinguished economist who was just standing before it in speechless wonder, because he at that time was a young man, a boy, living in Germany, and his father had been conscripted into the Nazi army and had been lost, and his mother and his sister were starving in Berlin, and they were liberated by the Allied forces.

So, that's what I love about this house, is that it is a living home, but it is also a repository of that history.

KING: Is it warm to you? **CLINTON:** I love it. It's warm; it's welcoming; and I've tried to make it that way, because...

KING: It's not unwelcoming?

CLINTON: No. I hope not, anyway, because...

KING: Well, of course, it can be...

CLINTON: Well, it can be overpowering, because of the awe that it inspires and the size that it is.

But that's why I wanted to take people behind the scenes in the book. I wanted everyone to see that here's a place that was our home as well as where we entertained for very special public events.

KING: Do you always feel like a tenant?

CLINTON: You know, that's a hard question to answer. I always feel in awe. I've never walked into this house, no matter what time of day, no matter how tired I was, where I was coming from, that I wasn't grateful and that I wasn't awestruck by it.

You know that you're just passing through; that it is a place that others lived before and will live after you. So in that sense, you always know that you're just temporary.

But we worked very hard to make it our home.

KING: Well, the book's a classic work of art.

CLINTON: Thank you.

KING: And giving it to the White House association, the historical association, is a great idea.

CLINTON: Thank you.

KING: One final thing, it's Inaugural Day. Somebody is being sworn in.

CLINTON: Right.

KING: Will that be a joyous occasion, no matter who? Or will it be, what's going on?

CLINTON: You know, it's going to be a poignant moment for me, because the eight years will be ending, my husband's presidency will be ending, I will be assuming a different role, my husband will be going on, I know, to do other things. So no matter what the outcome of the election, it's going to be poignant.

But it will also be very reinforcing. You know, I am such a strong believer in the fundamental strength of American values and institutions. You know, I'm just a dyed-in-the-wool, sort of sentimental patriot about what our country means. And the orderly, peaceful transfer of power is something that we have demonstrated for, you know, more than two centuries.

KING: So if it's George Bush raising his right hand, there's no biting of the bottom lip?

CLINTON: Not for me. For me, I'm hoping that when this is finally resolved -- and, of course, I believe strongly that the best evidence of the way it should be resolved are the votes of the people who actually voted in the election.

But it is in the courts. And when it is resolved, certainly, you know, I'm prepared to serve with and to -- you know, to watch whoever the next president is swear loyalty to our Constitution.

KING: Madam Senator-elect, First Lady, thank you very much.

CLINTON: Thank you. Thank you, Larry.

(END VIDEOTAPE)

KING: Governor Marc Racicot, Republican of Montana, is next.

Don't go away.

(COMMERCIAL BREAK)

REMARKS BY PRESIDENT BILL CLINTON AND FIRST LADY SENATOR HILLARY RODHAM CLINTON (D-NY) AT A WOMEN AND CHILDREN'S HEALTH EVENT, 1/4/2001

ALSO SPEAKING: TANYA CONINE (SP), CANCER SURVIVOR

LOCATION: THE EAST ROOM OF THE WHITE HOUSE, WASHINGTON, D.C.

SEN. **CLINTON:** Thank you. Thank you. Please, please, be seated. And welcome to the East Room, and happy New Year. It is wonderful to see so many friends here gathered to mark the passage of not only a year but so much progress on behalf of women and women's health, and in particular the Breast and Cervical Cancer Act of 2000.

MEMBER OF THE AUDIENCE: Yes! (Prolonged cheers and applause.)

SEN. **CLINTON:** You know, there are a lot of wonderful achievements that we can look back on over the last eight years, but I don't think anything has been more rewarding than working with all of you in this room and so many others around our country to put health care and particularly women's and children's health on the very top of our national agenda, where they now are and where they must remain. (Applause, cheers.)

And there are many people to thank here. I could actually use up all my time, plus the president's and everyone else's, thanking all of you. But let me just mention a few people who deserve a special mention.

Let me start with the longest-serving and best secretary of HHS, Donna Shalala. (Cheers, applause.) You know, there are many reasons why Donna, in my view, will be recorded in history as the best secretary of HHS. But one of those reasons started in this room eight years ago, when we had the first meeting of the breast cancer advocates, who came to the White House with all of those petitions, and the president promised -- (cheers, applause) -- the president promised there would be a national action plan against breast cancer. And Donna Shalala was given the responsibility of shepherding that. And we have seen so much progress because of it. (Applause.)

I also want to thank the director of OPM, Janice Lachance, who's here, who has used -- (applause) -- has used the authority given to her to make the federal government a model employer, especially in the health care that it provides for its workers.

And I was pleased that as of New Year's Day, mental health parity will be considered part of the federal health plan. (Applause.)

And there are members of Congress who are here who have been such stalwart supporters of everything that has been achieved. And I particularly want to thank Louise Slaughter and Rosa DeLauro and Sherrod Brown and Anna Eshoo. (Applause, cheers.) You know, there were a lot of champions for this bill, but nobody started and persisted and continued to the very end, when we finally got it signed, the way Anna Eshoo did. And -- (interrupted by cheers, applause). And there are other members of Congress who also deserve to be mentioned: Sue Myrick, Rick Lazio, the late John Chafee, Senators Barbara Mikulski and Olympia Snowe, and my predecessor, Daniel Patrick Moynihan -- all of whom worked in the Congress to make the Breast and Cervical Cancer Act the law of the land.

And in a few minutes, we're going to hear from someone who will share with us her personal story. Tonya Conine (sp) came all the way from Oklahoma City to talk about the difficulties she has faced in affording treatment for her breast cancer. And for all of us who fought hard to ensure that no woman, because of economic circumstances, who is diagnosed with either breast or cervical cancer will again have to make the horrible choices between foregoing care or accruing massive debt will know that our work has really been important because of the story that Tonya will share with us.

I also want to thank especially Fran Visco and the National Breast Cancer Coalition. (Cheers, applause.) (Laughs.) (More cheers.) And with us as well is Dr. (name inaudible) -- Ball (sp), representing the American Cancer Society, the National Medical Association, the NAACP, the Breast Cancer Resources Committee, and everyone else who has made this great achievement possible.

Now, I know that many of you have heard my story about the first time I met Fran and the other NBCC members during the 1992 campaign. And on the way to the meeting that we had scheduled in Williamsburg, the advocates were on a bus that broke down, and so they ended up hitch-hiking. (Laughter.) And some hitched rides with truckers, they climbed into sheriffs' cars, and of course they all made it to the meeting on time.

I always thought that was a pretty good metaphor for the determination of all the survivors and the other advocates, in this room and around the country, who've worked tirelessly for themselves, for their daughters, for their sisters, for their friends, and to improve generally the health of women and children.

Well, it's paying off, and we have a lot to be grateful for. But we have a lot of work still ahead of us. There are still too many people who don't have access to quality health care, and we can't forget that. We have to keep fighting to make sure that we not only put the dollars into research that will create the breakthroughs that will be translated into the treatments, but we have to make sure that those treatments are affordable and available to everyone who needs them.

It's hard to imagine that this administration is drawing to a close, and I think sometimes Bill and I, you know, are overcome with our memories, but we have to keep focused on the future, as well. And I want to mention just a few other of the accomplishments that are represented by the women here because those, too, were part of the success of this last Congress under the president's leadership.

There are people here today who helped us enact and reauthorize the Violence Against Women Act. And -- (interrupted by loud cheers and applause). And because of that, we know there are more women and children who now have a hotline to call, a shelter to go to and a judge, a doctor or a police officer who will offer help when it's needed most.

There are people here who helped us enact, and then helped spread the word on the Children's Health Insurance Program, known as CHIP. And particularly I want to thank everyone who was part of the Children's Health Act of 2000. That was a very important bill that didn't get a lot of attention when it was passed and signed into law this fall, because of the election. Like so many other things, it didn't really get the spotlight it deserved. But there are many, many people who are grateful that you worked so hard on this bill. Children with autism, Fragile X, diabetes, asthma, epilepsy and other conditions now have more hope because of this commitment we have made to fight diseases that disproportionately affect these people. (Applause.)

I know also, many of us in this room have been on the forefront of the fight to improve reproductive health.

And that has often been in the face of great opposition.

From the very first days of this administration, we have seen what it means to have a pro-choice president and a pro-choice administration. (Applause.) You know, that meant overturning the gag rule on the very first week in office; it meant historic increases in domestic and international family planning, which I have personally seen the benefits of all over the world. It's meant working to protect women and their doctors from harassment, intimidation, and violence at reproductive health clinics.

Now it is up to every single one of us to ensure that we don't turn back the clock on women's health. We've made a lot of gains, but nothing is written in concrete. And much of what we have achieved can be undone by legal, legislative, or executive changes. And we will have to be vigilant and work very hard to make sure that doesn't happen.

I hope that the year ahead will only increase our commitment to ensuring equity and fairness in health care financing and access to affordable, quality health care, that will pass Louise Slaughter's bill against genetic discrimination -- (applause). But we will not be able to achieve that if we don't band together and make sure our voices are heard.

I am looking forward to working with people on both sides of the aisle in both the House and the Senate to make sure that the fight to improve women's and children's health continues, and I look forward to working with all of the advocates. Because, to me, the achievements of the last eight years are really best understood, not in terms of the dollars that we've accumulated for research or that we've put into treatment, not even in terms of the legislative accomplishments like the Breast and Cervical Cancer Act, but in the stories of individual women who come up to me or write me or talk on a program and tell the world what it has meant that all of a sudden their needs and problems were given the attention that they deserved to have.

And one such woman, who really does represent so many others, is with us today. I'd like to introduce her to come and share with you the importance of the commitment you have made as represented in the passage of this act and so much else we've done together the last eight years. Please welcome Tonya Conine (sp). (Applause.)

"Larry King Live," CNN, 1/6/2001

Senator Hillary Rodham Clinton In Her Own Words

LARRY KING, HOST: Tonight, Senator **Hillary Rodham Clinton** in her own words: Highlights from our conversations with the most controversial woman in American politics. Next on LARRY KING LIVE.

Thanks for joining us.

We saw history made this week in the U.S. Senate. **Hillary Rodham Clinton** became the first first lady ever to be sworn in as an elected official.

I've had a chance to interview her a number of times over the years. The first opportunity, October of '93, shortly after her congressional testimony about health care reform. She wowed a lot of people with that appearance, though that plan ultimately flopped. Mrs. Clinton was still settling into life at 1600 Pennsylvania Avenue when she sat down with me in the Vermeil Room of the White House.

(BEGIN VIDEOTAPE, OCTOBER 2, 1993)

KING: Do you get to feel like this is your house?

HILLARY RODHAM CLINTON, FIRST LADY OF THE UNITED STATES: Yes.

KING: You do?

CLINTON: Yes.

KING: So it's not like you're renting here?

CLINTON: Well, it is public housing and so we are the tenants, but it is a place that overwhelms you. Every time you walk in, it makes you feel so proud and humble, I guess, but it's also our home and so we've worked hard to be make it that way.

KING: Nancy Reagan said to me the biggest surprise about this whole thing to her was that it wasn't Sacramento, that the press, the whole thing is just a whole different ball game, and being a governor's wife is not preparation for it. True?

CLINTON: True, that's very true, and, you know, you can imagine if Mrs. Reagan didn't think it was preparation being in California what I must have felt like coming from Arkansas where we knew everybody and where we could, you know, lead our own lives. I could drive my own car. I could go to work. I could take my daughter shopping. We had could go to a movie, and even if you think you have an idea what it's like because you've looked from afar and you watch a president and his family until you actually experience it, you don't really understand it.

KING: And what don't you like about it?

CLINTON: I don't like feeling confined, so that my movements are pretty much restricted; that I'm supposed to, you know, be driven places and I'm supposed to, you know, kind of have this protective security around me.

KING: It's 2:30. We'll go down here, then you'll turn left, then you'll turn right. This is Mr. Morris. Say hello.

CLINTON: Yes, I've tried to really limit that and both the president and I have worked hard on that. So, you know, we do try to keep in touch with our friends. We try to go out with people. We try to have as normal a life as possible, but there is no denying that it's very different.

KING: The Roosevelt kids, I got to know them all, said it is a tough place to grow up for a kid. This is not a kid's place. How's your daughter handling it?

CLINTON: She's doing pretty well, but this is not a kid's place and you have to work very hard to make it a good environment for a child. So she has her friends over; lots of overnights; lots of people and, girls, you know, going up and down the hallways and doing funny things that kids do, and we've tried very hard, as you know, to keep her out of the public eye; to try to give her a chance to have a lifetime with...

KING: How do you do that, though? I mean, like, she has friends come over?

CLINTON: Yes, she has friends come over -- lots of friends come over. She goes over to friends' houses...

KING: But there are Secret Service guys outside the house if she's there. It ain't a normal pillow party.

CLINTON: No, it's not normal, but it's as normal as we can make it and we're going to work very hard to keep it that way.

KING: What did you use to do that you can't do anymore that you miss the most?

CLINTON: Get in my car with my daughter, go to a store or go to a mall and spend a couple of hours just wandering around having a good time; stop and maybe having a cup of hot chocolate or a cookie and giggling, you know.

KING: The first lady of Arkansas could do that?

CLINTON: Yes.

KING: She could go to the mall, outside of Little Rock?

CLINTON: All the time. Went shopping all the time. No problem at all.

KING: When was the last time you drove?

CLINTON: Good question. I don't think I have driven since I've been in Washington. I have my car up here, but...

KING: Where's it parked?

CLINTON: It's parked on the grounds but I mostly let friends use it who come to visit and need a car.

KING: But you like sitting behind the wheel? You like driving?

CLINTON: Well, sure I mean...

KING: Is it impossible...

CLINTON: Well, I mean, you get in the car; you turn on the radio -- well, you've been in a car recently. You know what it's like. You know, I haven't. I can remember.

KING: I can't drive a car any more. I drive down a street it's a story.

CLINTON: Really, can you imagine? So, no, I just like to get in, turn on the radio. I have a terrible voice, but sing along with the radio; listen to you or somebody else yell at you on the radio; say, oh, that's not true and just be by yourself.

KING: What -- your first car -- we were talking about first cars. Mine was a '55 -- '53 Ford and yours was a '63 Olds.

CLINTON: Right.

KING: You were telling me you had to take the battery out.

CLINTON: Well, anybody listening to this will probably write and say, you know, this just shows you how crazy she is. My car had personality, my first car, and I was in law school and my car had a battery that did not like to be left in the car overnight. It would drain out if it were, especially in the New England cold.

KING: So what did you do with it?

CLINTON: I unhooked it every night and took it to my dorm room, and kept it warm and then I put it back in the next morning. And it made a very happy battery and a car that worked.

KING: Did it have a name? I think we're losing it here. It's been a long week,

CLINTON: It did have a name. Yes, I called my car Julius.

KING: Julius.

CLINTON: Julius.

KING: Did the battery have a name?

CLINTON: No, I did not name the battery. I think it was Eveready or something like that.

KING: What's the car parked downstairs now?

CLINTON: It's an Oldsmobile.

KING: You've stayed loyal?

CLINTON: Yes, I did. I stayed loyal.

KING: New one?

CLINTON: Well, not new, no. It's about six or seven years old now.

KING: All right, that the you miss the most. What's the best part about this job?

CLINTON: The very best part is being part of doing what my husband is trying to do help the country and change it. I find that...

KING: You really feel that?

CLINTON: Oh, in my entire being I feel that. You know, I spent a lot of time working on issues that I cared about, whether it was public education or children's health or children's welfare, and I just never understood why we as a country just couldn't get it together and solve some of these problems because we were letting violence consume our kids; we were letting all kinds of things bad happen and now I begin to see people starting to work together, and, of course, I think my husband has had a lot to do with that, kind of telling people take responsibility; be hopeful, but be practical and let's move forward and so I'm thrilled by it.

KING: We'll be right back with Hillary Clinton. Don't go away.

(END VIDEOTAPE)

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

REP. DICK ARMEY (R), TEXAS: While I don't share the chairman's joy at holding hearings on a government-run health care system, I do share his intention to make the debate and the legislative process as exciting as possible.

CLINTON: I'm sure you will do that, Mr. Armey.

ARMEY: We'll do the best we can.

CLINTON: You and Dr. Kevorkian.

ARMEY: I have been told about your charm and wit and let me say, the reports on your charm are overstated and the reports on your wit are understated.

CLINTON: Thank you. Thank you very much.

(END VIDEO CLIP)

(BEGIN VIDEOTAPE, OCTOBER 2, 1993)

KING: When you assumed this job and took over, he talked about activism before; did you say to your husband give me an area of responsibility? Did you know it would be health care? How did -- why you and health?

CLINTON: Well, that's a good question, Larry.

KING: Because you're healthy.

CLINTON: Well, thank goodness I am. I, you know...

KING: But why health?

CLINTON: I think because it's an issue that my husband cares a great deal about and when he was governor, he cared a great deal about education and he asked me to work on education and we worked together. And then coming into the presidency, he knows if we don't solve our health care problems, we're not going to be able to deal with a lot of our other problems in the country. And I think he decided that he would ask me to work on this the way he'd ask me to work on education.

Now, after it happened, about a day or two later, Governor Cuomo was he here, and I love him, and he came up to me and he said, what did you do? Have a fight with your husband, and I said, you know, I feel like that may be the way some people look at it because it's a huge responsibility. But it was a real -- you know, it was a real honor for me to be asked to work on this and I've really enjoyed it.

KING: Did you know it would become as hard as it was?

CLINTON: I didn't really know what I was getting into when my husband asked me to do it. I knew it was important and I knew that it was something he cared deeply about, but the amount of time I've spent on it has, you know, really been quite extensive.

KING: There's a CNN poll, I think it may have been out today, that has you more popular than your husband, that -- this has been a heck of a week for you. How do you deal with that?

CLINTON: Well, of course I'm grateful if people think that what I'm trying to do is the right thing and helpful.

KING: Now, the poll didn't say more popular, the poll put you as smarter than your husband. Every woman would dream of that, come on!

CLINTON: Yes, but they don't know my husband...

KING: That ticks him?

CLINTON: No, not at all, doesn't bother him at all. In fact, I think one of the secrets to his success is that he is the smartest person I've ever met; and yet he's so friendly and open and such a good guy that people sometimes underestimate him. And that's not always bad in the business he's in, as we've seen in the last several years.

KING: Does he ever close the door and go (SCREAMS)

CLINTON: Sure; sure. You know, sometimes you've just got to let it out, whether it's on the golf course or listening to loud music or whatever it is. Yes, we do a lot of that together.

KING: A lot of fighting, too.

CLINTON: No.

KING: No? How does Hillary let it out?

CLINTON: Well, I like to exercise. I like to listen to music and like to listen to it loud and sing along. I really do let a lot out that way. I like to sleep and get caught up so that I, maybe, am a little better rested than I would be under stressful circumstances.

We do a lot of different things, watch a lot of movies. We're big on movies.

KING: Rental movies, or...

CLINTON: Yes -- and you know what, you've got a movie theater here in the White House.

KING: I know. You didn't know that?

CLINTON: Well I didn't know it until I got here, and it was a wonderful surprise to find a movie theater...

KING: And can you call up the company and get the latest film, right?

CLINTON: Yes, they send them to us. And we are really lucky, because we get to see movies all the time. Apparently every president has enjoyed that.

KING: We are in the first lady's, kind of, here; Jackie Kennedy's over there and Lady Bird.

CLINTON: Right; got Pat Nixon and Eleanor Roosevelt.

KING: Now Eleanor Roosevelt's over there, and you've been most compared to her. First, is that a compliment? **CLINTON:** Well, to me it's an honor. I don't know that I deserve it; I think she's one of the great women of American history.

KING: Read a lot about her, interviewed her once.

CLINTON: Did you, really? Oh, I'm jealous.

KING: Yes I did; I was 23 years old.

OK, and here's what she said, and I'm going to ask you to comment, because I remember it very well. She always felt that Franklin, as she called him, deserved her opinion and had to hear it. Whether she carried the day or not, when she disagreed, he should hear it. Does Hillary Clinton feel the same?

CLINTON: I agree with that. I think that there are many things I don't have an opinion about that my husband deals with every day, but there are some things I have a strong opinion about. And if he asks me or I feel very strongly about it, like most wives that I know, I will share it with him.

That doesn't mean he always does what I believe or what my opinion is, but we have a wonderful relationship going back to our days in law school where we really liked to talk with each other. And over the years we've influence each other so much by trading opinions and saying, well, why do you believe this and how did you get to that point of view.

(END VIDEOTAPE)

(COMMERCIAL BREAK)

KING: Mrs. Clinton's years in the White House have been a real rollercoaster; types of great triumph and terrible sadness. Vince Foster's death on July 20, 1993 rocked her deeply. We talked about the tragedy in a live interview in May of 1994.

(BEGIN VIDEOTAPE, MAY 5, 1994)

KING: We were there that night at the White House, that tragedy happened, interviewing your husband. In fact, he and I were the only two that didn't know it has happened. You knew it had happened while he was on.

CLINTON: Well, I was in Arkansas and, while he was on with you, as you remember, because you were there, Mac McClarty called to tell me what had happened and I think everyone just was in shock. I mean, you were there, you saw the faces, people were traumatized.

I mean, I was told they were crying in the hall, and just collapsed on the floor. It was a terrible, terrible experience.

KING: Were you shocked? Did you know there was something the matter?

CLINTON: No; I hadn't ever thought anything like that would happen to someone that I knew and someone who'd been such a good friend of ours for so long. And I hadn't seen nor talked to him in several weeks before it did happen. And I've talked with many people who

had who also said, gee, you know, he was working hard and concerned about all the work he had to do, but nothing that really waved any flags in anybody's face.

KING: And no note leaves you with a kind of helpless feeling, doesn't it?

CLINTON: Yes; you know, I don't know if you've had friends or acquaintances who've committed suicide, but...

KING: One acquaintance, I wouldn't say friend.

CLINTON: Well, I have known a number of people, nobody as well as we knew Vince, of course; but lots of times there is no warning. Sometimes people make attempts and they want attention so that maybe they can be helped. But all too often, especially with men between about 40 and 60, as I have now learned, it is something they keep deep inside, often struggling with depression, that -- I've had a friend now come to me and tell me, I never knew before that he had contemplated suicide because of a deep depression.

And he told me that it was like being overwhelmed with blackness. Everywhere he looked he saw no way out. And, through a combination of circumstances, that didn't happen to him; but his efforts to try to explain to us what it must be like to be overcome by a deep, serious, profound depression -- I hope everybody in America learns something from this and maybe we can pick up the signals better.

KING: Your husband the other day criticized the vituperativeness that goes on in the angle. Why do you think you and him create such volatile feelings on the part of opponents? I mean, it's like hate; why do you think that?

CLINTON: Well, I think because he's really trying to change things; and I think that gets people who don't want to see anything changed -- like don't want bans on assault weapons that are going to be used to kill people -- it gets them very agitated.

So any time you really mean what you say and you stand up for it, you're going to create opposition. And if you go back and look at presidents who really made a difference, that's what happened to them.

KING: What do you make of the anger at you?

CLINTON: Oh, I think some of it is part of the fear and insecurity about what my husband's trying to do and the direction he's trying to take our country and get us all moving together again. I think some of it because I'm a kind of transition person in the history of our country.

KING: Even women?

CLINTON: Well, I think that, you know, for many women, the life that I've lead, trying to balance family and work, is what we are all trying to work out in our own lives. But we've never had somebody in my position before who had done that. And I've, you know, worked most of my life and I really believe in women having the full range of choices available to them.

I don't care what choice they make as long as they make the right choice for them; but I think some people would rather have stereotypes, it's easier that way.

KING: Our guests is the first lady of the United States, **Hillary Rodham Clinton.**

Don't go away.

(END VIDEOTAPE)

(COMMERCIAL BREAK)

(BEGIN VIDEOTAPE, MAY 5, 1994)

KING: OK, Hillary, the key question is: What's with the hair? What's with the hair?

CLINTON: It's different every day.

KING: Yes, we don't know what to expect. What is today's called?

CLINTON: Well, what is today's called? It's called spray it and hope it doesn't fall in your face when you're talking to Larry.

KING: Who does -- do you have...

CLINTON: Oh, I have great help with my hair. Yes. I need help.

KING: Is this your favorite?

CLINTON: Every one is my favorite. I can't make up my mind. That's the real problem.

KING: That's the problem. How long has this been going on, Hillary? Tell us about it.

CLINTON: Ever since I was a little girl, Larry. It's been something I've struggled with all my life. I'm hoping somebody's going to form a group hair anonymous I can join.

KING: And you have secret meetings and stand up...

CLINTON: Secret meetings and you stand up and you talk about your bad hair day.

(END VIDEOTAPE)

KING: A little more than two years after that exchange, the first lady sat down with me for another face to face. She had a lot more on her mind than bad hair days. Among the problems, fallout from the 1993 firing of seven people from the White House travel office.

(BEGIN VIDEOTAPE, MAY 29, 1996)

KING: What about the allegations against you? How have you dealt with that?

CLINTON: Well, just as with these allegations against my husband. Every time there's been any kind of official investigator or report what people alleged has been proven to be not true and eventually that's what the American people will see of all of these politically inspired investigations.

KING: The Travelgate story; they were all on this show, all the travel office, and they said that their word that they got was that you wanted them out. I'd like to hear it from you.

CLINTON: Well, I have said repeatedly ever since that happened that I had no role in the decision of getting them out of the White House, but I did express concern and I think that that concern was well-founded that if somebody anywhere in the White House were misusing funds or negligent about the use of funds that should be looked into and taken seriously.

KING: The first thing, though, is if a first lady expresses concern that might appear to an underling to mean I better take some action.

CLINTON: Well, you know, I tell the story about being in France for a state dinner and a meeting -- this was when President Mitterand was in office -- and meeting with his wife earlier in the day and at the end of our conversation she said she felt so bad that there wouldn't be any flowers on the table at the state dinner.

And I said well why, and she said well because, you know, we were told that you would not let flowers be on any tables for dinners because of your husband's allergies. And I said, well, madame, I never said such a thing. I might have expressed some concern about my husband's allergies, but we have flowers on the table at our state dinners. Is it too late? Can you get flowers and she was greatly relieved. So, that was...

KING: So, you just expressed concern and they dumped the flowers. So, is it possible that you expressed concern and they fired people?

CLINTON: No, I don't know what's possibly because I can't speculate on what somebody heard. I know that I said, you know, if this is something that is a concern, it should be

looked into. But I know that we have had some funny experiences in the past three or so years where, you know, my husband will say, gee, I want a banana and the next thing you know there's bananas everywhere. So, we have learned to be, you know, maybe a little bit more careful about that.

KING: Is it fair to say you've backed off since health care?

CLINTON: I don't think so, Larry. KING: You don't?

CLINTON: No, I mean I spent a lot of 1995 writing my book, which I cared very much about and which has some strong opinions in it about child rearing and what American society should do. I have kept a very active speaking schedule around the country. I just finished giving my second commencement this year. I give a third one on Thursday. So, I don't quite know where that came from, but I certainly don't feel given the pace of my life and all my obligations that I'm doing anything much different.

KING: So you will speak out on issues this campaign?

CLINTON: Certainly.

KING: We will know -- you're not going to be Mrs. Wallflower because some people have said that you've backed off and you're not in the combative mode that Hillary was in two years ago.

CLINTON: Well, I think that's a mischaracterization. You know, two years ago I was working on behalf of my husband's health care plan, which he and I both felt very strongly about. We spoke about it separately, together. We tried to explain it to people. And since then I have talked about a lot of other issues and have been, in many events in the White House and around the country on matters, but nothing that has risen to the level of public interest or controversy that the health care issue did. So people may not know everything I've been doing.

KING: Do you see yourself as a role model?

CLINTON: Well, I -- you know, I see myself as somebody who has tried to live my life according to what I believe in and what I think is important. And so when someone says that to me I always say, I hope you will find what's important to you and do that to the best of your ability and make choices that are right for you.

So if I am, to anybody, an example or a role model, I hope it's not to try to be like me, because I don't think there is any way to do that with anyone else but, perhaps, to just know what's right for you and to try to have the courage to do it despite what anybody else might say.

KING: How about dealing with a public marriage, you know, where both people are famous -- what about that aspect?

CLINTON: Well, you know, I married my husband 20-years plus ago and he wasn't famous. He had lost his only political race. I wasn't famous.

KING: So you got famous together?

CLINTON: Well, I don't think -- his career was a public career; and he, certainly now is famous, as president. But I think that we've just been together for so long and we've kind of grown up together, ever since we met each other in law school. So we see our marriage as very private and something that's so important and precious to us that the idea that it's of interest to other people or that people kind of look in and try to figure it out, you know, we just don't pay much attention to that.

KING: Does it surprise you that they do?

CLINTON: Well, I guess it doesn't surprise me because today, you know, people's personality and what they do is seemingly so important and the topic of such conversation.

But I don't think anybody can ever know very much about anybody else's life or their marriage; and so, so much of it is just, you know, kind of off-mark or idle gossip that doesn't really have any relation to reality. We laugh about it a lot.

(END VIDEOTAPE)

KING: More highlights from our interviews with **Hillary Rodham Clinton** ahead on this special edition of LARRY KING LIVE.

Stay tuned.

(COMMERCIAL BREAK)

KING: Mrs. Clinton was gracious enough to give us an interview in April of 1997 in the middle of a week celebrating my 40th anniversary of starting in broadcasting.

One subject we covered: the Whitewater controversy and the comments of another LARRY KING LIVE guest.

(BEGIN VIDEOTAPE, APRIL 29, 1997)

KING: OK, Jim McDougal was here a couple weeks ago, a very bitter, kind of sad case, and very hurt. And he says he was done wrong. What's your side?

CLINTON: I'm not going to comment on anything he has to say.

KING: Why?

CLINTON: I just don't think that's a useful thing for me to do. And this matter, as you know, being investigated, and looked into, and I just don't think that I will comment on Jim.

KING: All right, then forget what he said. How about the sadness of former friends?

CLINTON: Well...

KING: You had to go through that at the White House. "The New York Times" did a story about people who were and no longer are -- isn't that?

CLINTON: Well, that makes me sad. You know, I obviously am sad when misfortune befalls anyone, and especially people that I have any acquaintance or friendship with. And so I do, I'm very sorry about a lot of the things that have happened to people.

But I just, you know, I just believe that in the great scope of things, you know, the numbers of people who have been our friends, the kinds of friendships that Bill and I have had over a lifetime, have sustained us, and we have tried to be sustainable friends to people. So, of course, I'm sad when anyone has any kind of misfortune. But I'm also very heartened every day by the friends that we have, and the friendship that we continue to enjoy.

KING: The other day the press conference the president was asked, why shouldn't -- should he just say to Susan McDougal, just talk. You are not lying, just talk. Would you say the same thing -- he didn't respond. He said it is up to her and her lawyers.

CLINTON: I have nothing to add to what the president said about that.

KING: Wouldn't it help if she just had someone -- wouldn't you feel sorry about someone sitting?

CLINTON: I just don't have anything to add to what the president said. You know, there is a lot of questions about this, and we have just patiently waited, now for well the -- a lot of the questions have gone on for five years.

KING: Someone just reacted to the question.

CLINTON: Yes, indeed, and the investigation has gone on for a number of years; and we have just seen these things kind of ebb and flow; and, you know, we are just going to continue to get up every day, and do what we have to do and not get drawn into all of this.

KING: You may be too close to the forest for trees, but with all the attacks that have occurred, how do explain the popularity of Bill Clinton?

CLINTON: I think it is because the people in this country very much support and appreciate what he is doing as president, and discount dramatically -- as they should -- a lot of these attacks.

KING: They don't believe them?

CLINTON: I don't -- I think many people don't believe them. I think many people have seen these attacks grow in ferocity and then just fade into nothingness; and really what the American people want from a president is someone who is doing the business of governing the country. And I think people get a little frustrated by the diversions and the attacks, and the time spent on anything other than the people's business. And they know that my husband works many, many hours every day trying to do what he can to solve the problems of America, and that is what they want him to be doing.

KING: Does get annoyed? He is human.

CLINTON: Yeah, he is human, and from time to time over the last how many ever years, I'm sure he's felt annoyance from time to time, or frustration, but doesn't let that bother him, and he doesn't dwell on it. I mean he is one of the most optimistic and resilient human beings that I have every heard about, let alone known. And I think he is also leading by example in a very important way.

He is someone who does not wish those who wish him ill, any ill at all. He doesn't have a vengeful bone in his body. He turns the other cheek, because he just doesn't believe that as a man, or as a leader, he should be brought down to the level of engaging in the kind of bitter recrimination, accusation, falsehoods and slander that so many other people spend their time doing. From his perspective, you've got one life to live.

I heard a great line today, that was a Jackie Kennedy line. You know, life comes first, and if you allow yourself to get dragged down by other people's agendas or their particular slant on something instead of using your energy to do what you believe in doing, then basically you have ceded your life to them.

And I think that his example over the last five years as he has weathered all of these attacks is an example that Americans are beginning to really appreciate. And certainly the election showed that.

KING: All right, let's look at those years here.

CLINTON: Oh, my gosh.

KING: Biggest mistake -- your -- if you were to say, boy, if I had to do it over, I would.

CLINTON: Well, if there were a way that I think I could have known more about what I was getting into and understand more about, you know, the way Washington works and the expectations in Washington, I think I could have had a sort of smoother entry into Washington and maybe not have made some of the mistakes that I certainly did make in getting adjusted.

KING: What were -- If you were to say that, my biggest was?

CLINTON: Well, I think probably the biggest that my husband and I would say is, you know, not really understanding the way that Washington worked and the way the White House worked and having a clear sense from the beginning about what was possible and what wasn't possible. I mean, health care is an obvious example of that.

But I think that we are also very pleased by everything that he's been able to do, and we've loved being here. So, you know, it kind of...

KING: When you say the Washington ways, what...

CLINTON: ... balances itself out.

KING: Our guest is **Hillary Rodham Clinton** on this 40th anniversary of my entrance into broadcasting -- can't believe it. But she was 9 years old, right? At least that's a relief. At least she was around. We'll be right back.

Don't go away.

(END VIDEOTAPE)

(COMMERCIAL BREAK)

(BEGIN VIDEOTAPE, APRIL 29, 1997)

KING: Do you think about what you want to do in 2000? I mean you must. You're going to be very young.

CLINTON: Thank you, Larry, thank you very much.

KING: What does -- what does, for example, Bill talk about doing?

CLINTON: We don't talk about it.

KING: You don't at all?

CLINTON: Not at all. I mean, we know that he'll be leaving the White House and we'll have to do some other things.

KING: And, he'll be how old?

CLINTON: Gosh, let me see...

KING: Fifty?

CLINTON: Fifty-five, maybe, yeah.

KING: Young guy.

CLINTON: He'll be -- he'll still be 54 because he'll turn 55 in 2001. I don't know.

KING: He's been a politician all of his life.

CLINTON: Yeah, he's been in public life all of his life and he's loved every minute of it, but he is a very talented, able person and I think, anything he turns his mind to.

KING: Even like "Bill Clinton Live."

CLINTON: This is a good idea. What do you think?

KING: Would he do well with this show, he would do very well.

CLINTON: He would do very well.

KING: What about Hillary?

CLINTON: I want a long vacation when this is all over.

KING: How long, like a year? **CLINTON:** Oh, I don't know, a very long time. I have no idea what I am going to do. And, I don't really worry about it because I think you can't plan your life. I certainly didn't plan to be sitting here as I am talking to you. That's not anything I thought about when I was growing up or even when I was a young adult, so I don't really have any plans. I'll just wait and see what happens.

KING: Where do you live?

CLINTON: That we -- you know...

KING: You don't have a house?

CLINTON: We don't have a house, but you know, the president is going to build his library in Little Rock and we will be, obviously, spending a lot of our time and living there, and then I assume we'll travel and do some other things that are of interest to us.

KING: First time we interviewed you, you said you didn't know where your car was and you haven't driven a car. Have you driven a car?

CLINTON: I have driven a car a couple of times in the last four years.

KING: Sneaking out?

CLINTON: No, Secret Service and I have a deal that every once in a while, they'll let me drive.

KING: In the country or in the city?

CLINTON: Usually in the country. Usually not -- although I drove on Election Day in Little Rock. I drove a bunch of my friends from downtown to my mother's house, so that was a hair raising adventure.

KING: Of course, I know you told us how much you like driving. You had that favorite car. You love that car.

CLINTON: Yeah, I just -- you know, I haven't done it for so long, I probably would probably be a real hazard.

KING: When is the last time Bill drove?

CLINTON: Oh, he hasn't drove -- he hasn't driven for a long time, probably, gosh, probably back since '92 sometime.

KING: Because...

CLINTON: Oh, that's -- but, except I think he has maybe at Camp David driven a little bit, but not much.

KING: What's it like up there?

CLINTON: It's very peaceful and it's secluded and it's a place where you can really be alone when you get a chance to go there.

KING: Has the presidency drawn you closer?

CLINTON: Well, I think we have always been close, but we've gotten to spend a lot of time together because he works above the store, you might say. It's just down the hall. And, so we get to have a lot of meals together. We get to see each other a lot during the day if we have time. So, the time has been much more available to us.

KING: We're going to learn Hillary's college tomorrow, those who keep...

CLINTON: Chelsea's.

KING: Chelsea's -- Hillary's been there already.

CLINTON: Tomorrow's the last day, she has to.

KING: It ain't Georgetown. I know this, because you told us...

CLINTON: Well, it might have been because she loves Georgetown, but it's too close to home.

KING: She's out of town.

CLINTON: Yes, yes.

KING: Do you want to go live with her?

CLINTON: I do. I do. I want to be her roommate.

KING: Stuart, Florida for the first lady, hello.

CALLER: Yes, hello, Mrs. Clinton, first I'd like to say I think you're a great first lady.

CLINTON: Thank you.

CALLER: And are you considering running for office in the future?

CLINTON: No, no.

KING: At all?

CLINTON: No.

KING: No circumstance under which you would?

CLINTON: Not that I can imagine. No, that is not anything I have ever thought of for myself. I must say I really admire people like my husband, who are willing to fade the heat to be in politics, especially today.

(END VIDEOTAPE) (COMMERCIAL BREAK)

(BEGIN VIDEO CLIP, FEBRUARY 6, 2000)

CLINTON: I am honored today to announce my candidacy for the United States Senate from New York.

(END VIDEO CLIP)

KING: The next time we talked to **Hillary Rodham Clinton** was in August of last year. It was day one of the Democratic National Convention in Los Angeles. The first lady was a candidate by then, running hard for a U.S. Senate seat in New York.

(BEGIN VIDEOTAPE, AUGUST 14, 2000)

KING: Are you glad you're making this race?

CLINTON: I am having the time of my life.

KING: Now, that you have the advantage of hindsight, glad you did it?

CLINTON: Absolutely. I'm enjoying it so much. I didn't know what it would feel like to be a candidate because I'd never done it before.

KING: What does it feel like? What is it like?

CLINTON: Well, it's very different. You know, for 30 years I've worked on behalf of causes and candidates and particularly on behalf of my husband in his many races, and I've always enjoyed doing that, thought it was important, never really believed I would be on the other side of that line, being a candidate myself, and it takes some getting used to. There's a real learning curve. Even if you've been around it for years, as I have, once you're the person on the front line, who is, you know, making the statements and doing the interviews about not out what someone else believes whom you're supporting, but what you believe and what you'll fight for -- it's a very different feeling.

KING: So it's not "Vote for him"; it's "Vote for me."

CLINTON: That's right.

KING: How about fund raising? Some people have said the hardest thing in politics is to ask for money.

CLINTON: It's very hard.

KING: Now you're asking for you. It's thing to ask for someone else. Is that hard?

CLINTON: Well, it's hard, but you have to do it. I want to change the system; that's why I support campaign finance reform, because I don't think it's a good system for our

democracy. But it is the system we have, and if you believe strongly, as I do, that we need to continue the progress of the last eight years and that it's important who is a partner in the Senate with Al and Joe, then you go out and you work as hard as you can, and that includes raising the money to make the campaign.

KING: An old friend of ours, Marvin Davis (ph), told me that you told him seven years ago you wanted to live in New York.

CLINTON: Yes, that's true.

KING: That this wasn't the -- way before this Senate jump.

CLINTON: I've always wanted to live in New York.

KING: Why?

CLINTON: Why not? I mean, there isn't any place like it.

KING: You're a Chicagoan, though. That's...

CLINTON: But I've been -- you know, I've...

KING: "Big Shoulders."

CLINTON: You know, I've had a wonderful life, because, look, I was born and raised in Chicago. I went to school in New England, and law school. I got to live in Arkansas, made the friends of a lifetime there. Got to live in Washington.

But like so many other people from all over the world, I've always wanted to live in New York. And I told Marvin, I've told a lot of people over the years that after the White House years I wanted to move to New York and have a chance to experience New York City and everything that goes with it.

KING: And when you can't -- you don't experience it as an everyday New Yorker. I mean, you have the Secret Service and...

CLINTON: Well, it's a little different, Because I used to love going and just being able to walk down the street before the White House years: going to a museum, going to a play, going out to a great restaurant. It is a lot harder for me now, but that will get easier after Bill's no longer president.

KING: And how is Chelsea enjoying being part of a campaign, Chelsea, who you've sheltered so well, who we, the public, really don't know.

CLINTON: Well, thank you. Thank you and the press for giving her the space...

KING: They have, haven't they?

CLINTON: They have, and I hope it continues with all the children involved in this presidential campaign. You know, the Bushes and the Gores and the Liebermans all have young children, not adults yet. So I hope that the pattern that has started with our daughter will continue.

But I am -- I'm enjoying having her with us. She has always been a part of our life, and politics has always been a part of our family. So she has been with her -- with her -- with my husband, her father, been with me from time to time. And it's been a great treat.

KING: She's enjoying it?

CLINTON: Yes, she likes it. You know, and she -- you know, she's good to have around.

KING: Not bad. The times I've known her, she's a terrific person.

CLINTON: Thank you.

KING: And how, frankly, are you doing, emotionally? I mean, you went through a tough thing. The whole world knew. You know, when you see the whole -- it's embarrassing. Hard to come through? It's got to be tough.

CLINTON: But, you know, that's my business. And I don't talk about my personal business, and I feel strongly that what goes on in a marriage or a family should remain in that marriage and in that family. And I'm very, you know, happy doing what I'm doing. I feel very committed to making this race, because I believe so strongly in these issues. I have worked on them for 30 years. It's what I care most about in public life, and that's what I do every day.

KING: And the rest is none of our business.

CLINTON: That's right.

(LAUGHTER)

(END VIDEOTAPE)

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

CLINTON: Sixty-two counties, 16 months, three debates, two opponents and six black pants suits later, because of you, here we are.

(END VIDEO CLIP)

KING: Our most recent interview with Mrs. Clinton was less than a month ago in the White House. The country still wasn't sure who the next president was going to be, but the first lady was very definitely the Democratic senator-elect from New York.

(BEGIN VIDEOTAPE)

KING: How do I address you now? I've known you so long. Is it Madam First Lady, Hillary, Hillary Rodham, Senator? **CLINTON:** It's a little confusing, isn't it?

KING: Yes. What do you like the best?

CLINTON: Well, I -- gee, all of those are, you know, really wonderful things.

KING: Do you call a senator-elect a senator?

CLINTON: I don't know. That's a good question. You know, I've been telling people that I'm not a senator until I'm sworn in on January 3. So, how about Hillary?

KING: Just senator-elect. Do you like the term senator?

CLINTON: I do like the term, yes.

KING: It fits?

CLINTON: I feel very good about it. You know, it was a great campaign. I had the help of thousands and thousands of people across New York and lots of friends around the country.

And I'm very excited. I went to Senate school last week.

KING: What was that like?

CLINTON: It was great.

KING: Senate school.

CLINTON: Yes. I mean, it was wonderful. I mean, we had an opportunity to hear Senator Byrd talk about the history of the Senate, and we did it in the Old Senate Chambers, where so much of that history took place.

I spent time meeting my new colleagues, both Democrats and Republicans. It was a really good way to start getting oriented toward the Senate.

KING: Did you take offense to Trent Lott's statement that you're -- don't expect anything, you're just another wheel in the -- cog in the wheel?

CLINTON: Well, you know, I'm just one of a hundred, and that is -- that's a factual statement.

KING: You didn't take -- you didn't...

CLINTON: You know, people say things sometimes in the heat of partisanship. And we've had a very cordial encounter in the Senate. We went from Senator Daschle's office to Senator Lott's office, and he gave us a wonderful history lesson about that office and the role that it's played in the history of the Congress.

KING: How did he treat you? **CLINTON:** Very cordially. Very collegially, which is what I expected. I have gotten to know him and his wife over the last eight years, and I expect that, you know, there will be differences, obviously. He has a role to play and a party to represent.

But I imagine wherever we can, we'll try to work together. And certainly, I see no reason for us not to be in a very collegial, cordial relationship.

KING: So you're optimistic that this government can work, that this can be four fruitful years, no matter who's at the -- who's sitting at the -- your old -- in your old -- in this house?

CLINTON: Well, I believe that America is at heart an optimistic country, you know. We are people of an optimistic spirit. And we have work to do, and work doesn't get done if people are drawn into battles over issues that are not going to make a difference in the lives of ordinary Americans.

You know, my hope is that in my work and the work of those in the Senate, you know, we will be able to keep the economy strong and growing, we will be able to improve education and provide health care and protect the environment, all of the things that I campaigned on. You can't do that if you're more interested in scoring political points.

KING: Everyone has said, except maybe you, that you are going to run for president someday. So let's -- I mean, let's say Gore loses. That means the Democratic Party has no incumbent. Are you interested in that office in '04?

CLINTON: No, I'm not. You know...

KING: Not at all?

CLINTON: No, no. I am intent upon being the best senator that I can be. That is what I want to do. I really feel like the people of New York gave me a great honor to give me the opportunity to serve, and that's what I am interested in doing. You know, all of the work that I've done for 30 years now -- it's almost hard to imagine -- going back into my young adulthood, concerns, you know, children and families and education and economic opportunity and health care.

I think we will have an opportunity, no matter how our presidential campaign is finally resolved, for people of good faith to reach across party lines and try to hammer out some of the solutions that I really think the American people want us to work toward.

KING: Did you tell the people of New York that you are going to stay the six years?

CLINTON: Yes, I surely did.

KING: And you wouldn't change that?

CLINTON: No, I wouldn't. KING: So that's as definitive as you can get, right?

CLINTON: As definitive as I can get.

KING: One final thing, it's Inaugural Day. Somebody is being sworn in.

CLINTON: Right.

KING: Will that be a joyous occasion, no matter who? Or will it be -- what's going on?

CLINTON: Oh, you know, it's going to be a poignant moment for me, because the eight years will be ending, my husband's presidency will be ending, I will be assuming a different role, my husband will be going on, I know, to do other things. So no matter what the outcome of the election, it's going to be poignant.

But it will also be very reinforcing. You know, I am such a strong believer in the fundamental strength of American values and institutions. You know, I'm just a dyed-in-the-wool, sort of sentimental patriot about what our country means. And the orderly, peaceful transfer of power is something that we have demonstrated for, you know, more than two centuries.

KING: So if it's George Bush raising his right hand, there's no biting of the bottom lip?

CLINTON: Not for me. For me, I'm hoping that when this is finally resolved -- and, of course, I believe strongly that the best evidence of the way it should be resolved are the votes of the people who actually voted in the election.

But it is in the courts. And when it is resolved, certainly, you know, I'm prepared to serve with and to -- you know, to watch whoever the next president is swear loyalty to our Constitution.

KING: Madam Senator-elect, First Lady, thank you very much.

(END VIDEOTAPE)

KING: Senator **Hillary Rodham Clinton**, a trailblazing first lady. It will be fascinating to see her in action in the U.S. Senate.

Thanks for watching this special edition of LARRY KING LIVE. Have a great weekend. Good night.

(BEGIN VIDEO CLIP)

AL GORE, VICE PRESIDENT OF THE UNITED STATES: Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic, that you will bear truth faith and allegiance to the same, that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter, so help you God. **CLINTON:** I do.

GORE: Congratulations.

(END VIDEO CLIP)

"The Early Show," CBS News, 1/16/2001

HILLARY CLINTON'S LEGACY AS FIRST LADY

As President Clinton prepares to leave the White House at the end of this week, so too does **Hillary Rodham Clinton**. But as she closes the book on her days as first lady, she's already begun to write a new chapter in what is a most compelling personal story. Bill Plante has more.

BILL PLANTE reporting:

Her friends and colleagues are never at a loss for words of praise.

Ms. SARA EHRMAN (Friend of Hillary Clinton): A great sense of humor, a raucous laugh.

Ms. KAREN FINNEY (Former Press Secretary): A very hardworking person, a loyal person.

PLANTE: But if **Hillary Rodham Clinton** inspired her friends, she infuriated her enemies. The most non-traditional first lady since Eleanor Roosevelt, she arrived at the White House believing that she and her husband could offer the nation two-for-one in the Oval Office. She took on health care reform less than a week after her husband was inaugurated.

President BILL **CLINTON**: I think that in the coming months the American people will learn, as the people of our state did, that we have a first lady of many talents.

PLANTE: Her health care reform plan was massive and polarizing. The heat proved to be too much. And Mrs. Clinton was forced to back away.

Mr. DAVID GERGEN (Former White House Aide): The debacle over health care and then the loss of the House and Senate, those two together were a double blow to Mrs. Clinton. She had come hoping to be a co-president, in effect. Eleanor Roosevelt squared.

PLANTE: Instead, Hillary Clinton was a magnet for controversy over her commodities trading windfall, which she tried to explain in a news conference...

Mrs. **HILLARY RODHAM CLINTON**: And I did occasionally read, you know, publications like The Journal.

PLANTE: ...over her legal work in Arkansas. An independent counsel was appointed to look into the circumstances of the Clintons' investment in a real estate deal known as Whitewater.

Mr. GERGEN: She just endured an enormous amount of personal criticism and a lot of attacks.

PLANTE: So, Hillary Clinton modified her role, balancing her issues with the more traditional duties of a first lady.

Ms. FINNEY: Even when we were working on health care, you know, she would spend a day in policy meetings all day or on the Hill, and then, come home and have to think about a state dinner that might be coming up.

PLANTE: She ventured, often with daughter Chelsea, to lands far and wide to talk about the welfare of children and women's rights.

But then in early 1998, came the revelation of her husband's infidelity, which threatened to end not only his presidency but perhaps their marriage as well.

Despite the public humiliation, Hillary Clinton, who once said she wasn't like Tammy Wynette, 'Standing by her man,' chose to do just that, and she emerged with a new image and a new role to play.

Mrs. **CLINTON**: I want to be your senator from New York. Thank you all very much.

Ms. EHRMAN: My first comment was, 'Are you out of your mind?'

Ms. FINNEY: I think particularly what people liked in the Senate race was that she demonstrated how hard she was willing to work.

PLANTE: And after a hard-fought campaign, Hillary Clinton became the first first lady elected to the United States Senate.

Ms. EHRMAN: Mrs. Clinton is a woman with a mission.

PLANTE: It's a mission that may one day take her even beyond the Senate, back to the White House.

“CNN Newsroom,” CNN, 1/18/2001

The atmosphere was more cordial at the confirmation hearings of four other Bush nominees: Paul O'Neill for Treasury secretary, Mel Martinez for secretary of Housing and Urban Development, Colin Powell for secretary of state and Christie Whitman for the Environmental Protection Agency. New Jersey Gov. Christie Whitman won both Democratic and Republican support Wednesday from senators considering her nomination as the head of the Environmental Protection Agency. Several other Cabinet nominees also earned high marks from senators.

Jonathan Karl has details.

(BEGIN VIDEOTAPE)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I'm looking forward to working on behalf of the issues that this committee is concerned with.

JONATHAN KARL, CNN CORRESPONDENT (voice-over): In her first committee hearing, New York's junior senator was a studious freshman, one of just two senators who stayed for Christie Todd Whitman's entire confirmation hearing. Clinton seemed eager to show she'd done her homework.

SEN. **CLINTON**: We suffer from acid rain that comes from two geographic locations: power plants in the Midwest, and then increasingly some power plants in Canada.

KARL: Clinton said she'd vote yes on George W. Bush's choice to run the Environmental Protection Agency. She also offered to bridge ideological and regional divides to work with Ohio Republican George Voinovich on combating acid rain.

SEN. **CLINTON**: I'd love to take you up to the Adirondacks. I'll come visit some of the plants and we'll see if we can't bring people together around this.

SEN. GEORGE VOINOVICH (R), OHIO: I look forward to joining in the Voinovich-Clinton or Clinton-Voinovich Bill.

SEN. **CLINTON**: Voinovich-Clinton. I'm well aware of seniority here.

U.S. SENATOR JAMES JEFFORDS (R-VT) HOLDS CONFIRMATION HEARING FOR LABOR SECRETARY- DESIGNATE ELAINE CHAO, 1/24/2001

CLINTON: Thank you, Mr. Chairman.

I join in welcoming Ms. Chao and also her family, who are constituents of mine in New York. And I'm delighted that they could be here for this very important event.

I thank you for your service in the past and look forward to working with you in the future. I echo the comments of all who have spoken before me and will not repeat the issues that they raised, and will look forward to the questions.

But I do think that it's important to emphasize something Senator Collins has said, and that is, of course, the globalization of the economy and the challenges that it still poses to our work force here in the United States.

There's a tremendous opportunity for us to put into place 21st-century labor and economic policies that will enable us to put a human face on globalization and to make us as productive as we need to be in the future, as we have been over the last several years.

In particular, I'm concerned about pension plans that remove the reliability that workers should be able to count on as they go through their work life. I'm concerned about the need for better training that is really matched with work force capacity that we have to fill; the Family and Medical Leave Act and other issues that try to help workers balance family and work responsibilities, which become increasingly important. And along that line, the whole issue about compensatory leave, as opposed to paying workers for overtime work, is one that I'm concerned about.

But I just wanted to focus in my brief comments on pensions, because pension reform is, for me, an issue that is just looming out there. There are a lot of unfunded and underfunded pension responsibilities, a lot of corporate decisions that are using pension funds for purposes other than what they were intended to. So we need to have a plan about how to improve asset portability and strengthen legal protections for pension plan participants. Because certainly in our global economy, we have to increase savings and retirement security for all of our workers.

I look very much forward to working with you on behalf of American workers. And am very pleased by this nomination and the commitment and experience that you will bring to the task.

JEFFORDS: Senator Sessions?

SESSIONS: Thank you, Mr. Chairman.

I first would like to express my congratulations and appreciation for the service of former Secretary Alexis Herman from my town of Mobile, Alabama. She worked extremely hard in this position, was extraordinarily responsive to the requests of this Congress, and I think made quite a number of changes. But some more need to be made.

This is a \$40 billion agency with 17,000 employees, and it's going to be a great challenge. I believe that in Elaine Chao we have a nominee that can more than meet those challenges, who, from my conversations with her, is just so anxious to get started and so committed to doing the right thing effectively, that I just know she's going to be successful.

And with a background as deputy secretary of the Department of Transportation in which she had to deal with quite a number of challenges, including the Hurricane Hugo, the earthquake, Pan Am, and Exxon Valdez, none of which you caused, but had to respond to. I guess perhaps living with Mitch, you're used to cleaning up messes; I'm not sure.

(LAUGHTER)

But that is a great record.

And then you took over the Peace Corps and served as leader of the Peace Corps and then as president and CEO of United Way of America after it had suffered great credibility losses and was really in a state of disarray. You brought that together and left there after having reinvigorated that great institution.

You have a tremendous record of achievement. And I believe we probably need more bipartisanship in the labor force; we need more teamwork between workers; we need more

flexibility. We need to convert our labor laws from the '30s mentalities to a new century, a new millennium of partnership between workers and labor. And I believe you'll do a great job.

We're delighted you're here. And it's a delight also to have your family with you.

Thank you.

JEFFORDS: Senator Dodd?

DODD: Welcome. Very nice to see you. I'm very impressed that you have Senator Bunning and Senator Leahy with you here. I don't know who the other fellow is to your right there that's along with you, the other side of Kentucky, but we welcome him as well. And we're honored that you're before the committee and congratulate you and President Bush for submitting your name to the committee.

I had the wonderful pleasure on inauguration morning of meeting your parents. And I'm delighted they're here with us as well. And we welcome you both.

And let me second the comments made by Jeff Sessions about Alexis Herman as well. She did a wonderful job as secretary of labor. We're all deeply proud of her record, and know that you're going to pursue similar goals and values that she brought to the job.

We had the pleasure of working together when you were director of the Peace Corps. And as a former volunteer and on the committee that has jurisdiction over the Peace Corps in the Foreign Relations Committee, you did a very fine job there. And I know that many of the former volunteers and staff at the Peace Corps speak highly of your service as the director of the Peace Corps.

I'll wait for the question period to raise issues. We had a wonderful conversation in the office the other day about a number of things that I'm interested in pursuing. Family and medical leave is an issue that I have a deep interest in, having authored the bill along with my good friends Kit Bond from Missouri, who is here with us on this committee today, and a number of others, Arlen Specter. There was a very bipartisan effort. Senator Kennedy played a very important role.

I always took great pride in the fact that the very first piece of legislation signed by President Clinton was the Family and Medical Leave Act on a February morning back eight years ago. And I know he was very proud of the legislation.

Some 35 million people have taken advantage of that Family and Medical Leave Act. So we'd like to pursue that. We had good reports a few weeks ago on how well it's working, on surveys done by employers who had felt that the law was working very, very well. And so we want to pursue that and discuss that with you and see what efforts we can make to enhance and strengthen even that law.

So I look forward to your service. Pleased you have decided to come back into public life. You've distinguished yourself over the years with your service. And I'm confident you will again. I look forward to supporting your nomination. And I do welcome my chairman from the Rules Committee here, Mitch McConnell. He's been a good friend. And I look forward to your working with the committee.

CHAO: Thank you.

JEFFORDS: Senator DeWine?

DEWINE: Thank you very much, Mr. Chairman.

And I join my colleagues in welcoming Elaine Chao as the nominee. I can't exceed the laudatory comments and smart cracks of my colleague from Alabama. I will not try. But I would second all of the nice things that have been said.

Certainly, based on our discussions and your background, I am confident, Elaine, that you are the right person to pursue the noble and lofty goals of improving the welfare, the job opportunities and the well-being of the working men and women of America. And I know that you take that very seriously in your commitment came through in our discussions.

I would, however, point out that one of the things that we have to be concerned about when we are trying to accomplish all these great purposes in the laws of unintended consequences, and federal laws often have those unintended consequences.

As Senator Dodd, lead cosponsor of Family and Medical Leave, I was concerned about making sure that we didn't force small businesses out of operation and cost jobs. And that's why we put the job -- the 50-employee limit on Family and Medical Leave. And as my colleague from Wyoming has pointed out, by trying to do good things in too heavy-handed a way, we may not only force small businesses out of business, but cost the people we try to help, jobs.

The minimum wage, several years ago the New York Times said the proper minimum wage is now 0.00. They recognized that too high a minimum wage could, in some circumstances, force out of the workplace the teenagers trying to get the first step on the ladder, particularly minority teenagers. That's why it's worthwhile that we consider flexibility. That has been discussed in the minimum wage.

Also, as one who chairs the Small Business Committee, I would urge you to take a look at the ergonomics regulations. Small businesses understand just as large businesses do that ergonomics injuries are not only harmful and painful, they are very costly. That's why they have worked together to bring down the level of ergonomics injuries in recent years.

Unfortunately, what OSHA has done is not to provide working guidelines or help for injuries, but to impose penalties. And this may have a negative impact.

Finally, you have in the Department of Labor a newly established office for Small Business Programs. As we've discussed, I believe we can work together on job training programs to make sure that, for example, the hub zone opportunities where small businesses will get jobs in inner cities from selling to the government, gives not only the Labor Department an opportunity to purchase there, but to bring job training programs in. And we, small business, look forward to working with you to see small business creating the jobs with that the men and women of America need.

I thank you and I wish you well and I look forward to working with you.

JEFFORDS: Senator Reed?

REED: Thank you very much, Mr. Chairman.

And welcome, Ms. Chao and your family, and Senator McConnell and Senator Bunning and Senator Leahy. It was a pleasure to meet with you last week.

As my colleagues have so well-explained, you bring extraordinary range of talents to this job, in addition to your intellect and your reputation for fairness and integrity. So we're all confident that you're going to do a very, very good job.

You will assume these responsibilities at a very interesting time in our history. We've enjoyed unprecedented prosperity over the last several years, and yet, in the midst of that prosperity, there are still families struggling to make ends meet.

Now, you'll find that we have some different views here on the committee. And one view that I have is that the minimum wage should be increased. If you look at the statistics, if there is a worker at a minimum wage job working 40 hours a week, all through the year there will earn about \$10,700. And that's \$3,400 below the poverty line. I think it's something that we have to address, because we want to make work rewarding. We

certainly want to make it a way out of poverty. And that, I think, can be done by increasing the minimum wage. I hope you will address that issue.

And there's another that you are, I'm sure, concerned about, and that is the disparity in the types of income and wages that women earn in our society. I think we have to work creatively and hopefully with business to ensure that an individual is rewarded based upon their talents and not based upon stereotypes. And your efforts in that regard will be deeply appreciated.

There is also a major challenge in making sure that our work force, particularly young workers have all the skills they need. And one program at the Department of Labor has sponsored for generations, at least several decades, has been the Job Corps. That is a very important program. We're very pleased, as I explained in the office, to have a Job Corps center being developed in Rhode Island, our first center. We will join the ranks of most the others states with a Job Corps center. But I would hope that you would continue to invigorate the Job Corps, support it and make it an accessed opportunity for countless Americans who need that chance to succeed in the workplace.

I look forward to working with you and wish you well. And thank you very much for being here today. And I'm eager to here your responses.

Thank you.

JEFFORDS: Senator Warner, congratulations on your fight to get back on this committee. Some might question your sanity, but I praise you for your courage.

WARNER: Mr. Chairman, I thank you for the opportunity to rejoin this committee and be among members for whom I have the greatest respect. I've known the ranking member, I guess, some 40 years. And we'll have a tussle or two, as we've had in the past.

But this is a great committee. It's a strong committee. And the leadership through the years, certainly the current leadership, have propelled it right to the forefront of the Senate responsibilities.

And I thank our distinguished nominee for rejoining the public sector. It's not an easy decision, given the diversity of background that you've had in many jobs and the challenges and the opportunities in the private sector today, to return. But on behalf of the nation, we commend the president. We thank you very much.

Because this nation can be no stronger than the men and women who get up every day, accept the challenges to go out into the workplace, return home to care for their families, and their selves, and indeed their neighborhoods.

So you'll be a great leader. You'll be a role model for generations of younger Americans that are coming along who aspire likewise to achieve the goals that you have.

I wish you luck. And if I may say on a personal note, having known you fairly well through the years, whether it's in the private sector or the public sector, you've accepted the challenges, pursued your responsibilities, with firmness, fairness, always with a quiet dignity. Good luck.

JEFFORDS: Senator Mikulski?

MIKULSKI: Thank you very much, Senator Jeffords. But I note that I was late coming. I'm happy to yield to Senator Clinton because she was here first...

(CROSSTALK)

CLINTON: Thank you for that kindness, Senator.

MIKULSKI: Ms. Chao, hi. When you called me about right after President Bush designated you, I said I felt very comfortable with your nomination. And I felt comfortable because I

have three criteria: competence, integrity and a commitment to the mission of the Department of Labor.

I believe you're very competent to do this job, and I think you bring great personal integrity. Your resume speaks for itself. In the way you served the United Way, brought it through a difficult time, restored integrity, public confidence, built coalitions, worked with the labor unions, who are major contributors. Your leadership at the Peace Corps, moving it during a very difficult post-Cold War period. Transportation. All your awards. You have an extraordinary resume.

What I believe is that because of your background you also have a deep commitment to an opportunity ladder in this society. I take President Bush at his word where on Saturday he said he wants to have a single nation, with justice and opportunity and an atmosphere of civility. And I feel you will be -- I have confidence, even looking -- both knowing you and your testimony, to talk about an opportunity ladder.

I'm going to be looking forward, after you give your testimony, to hear about what we talked about on the telephone, which is that we don't have a worker shortage in this country, we have a skill shortage in this country, and that what we need to do is to make sure that everybody who wants to work has the tools to participate in the new economy. And even the old economy, our smokestack economy, is now a cyber-stack.

So I look forward to hearing to make sure that we do not have a digital divide, either through our K through 12, but also in our skill shortage, as well as being very sensitive to the new occupational safety challenges that are affecting us in the new workplaces and the others.

I know we really want to hear from you and the wonderful team out there waiting to introduce you. I look forward to conversations on how we get the job done so people have jobs when all is said and done.

CHAO: Thank you.

JEFFORDS: Senator Gregg?

GREGG: Thank you, Mr. Chairman.

And it's great to have you here, Ms. Chao. And, you know, you so epitomize the American story and the American dream that your choice as secretary of labor by President Bush, I think, is a reinforcement of that dream. And I just congratulate you on all that you've done that's been so extraordinary.

CHAO: Thank you.

GREGG: I listened to your press conference when you were announced and it was just such an overwhelming story of success and hard work and perseverance, coming to this nation when you were 8 years old and jumping in with both feet, and now becoming secretary of labor. And along the way having contributed so much to the betterment of our country in your various activities at the Peace Corps and with the United Way.

So I'm very excited that you decided to take this opportunity on, and the nation is better because of it, and I look forward to voting for you.

CHAO: Thank you very much.

JEFFORDS: Senator Harkin?

HARKIN: Thank you very much, Mr. Chairman. And I apologize for being late.

I want to extend a warm welcome to Ms. Chao. Appreciate the opportunity to discuss the challenges that lie before us.

Ms. Chao, as we discussed when we met earlier, I wear a couple of hats. I'm on the authorizing committee here, but I also serve as the ranking member on the Labor, Health

and Human Services Appropriations Committee, and so we'll be working with also on budgetary items. In that regard, again, I just want to mention a couple of things that I hope that we can work together on that you will focus on.

Last year -- let me just phrase it this way: We look out across America and we see most people employed. We have low rates of unemployment. That's good for America. But among people with disabilities, and especially people with severe disabilities, you're looking at as high as 80 percent unemployment rates among people with disabilities and severe disabilities.

And so last year I worked with Senator Specter and my colleagues on the Appropriations Committee to fund an Office of Disability Policy at the Department of Labor with an assistant secretary position. So this is something new, it's never been created before. And so you'll be in the position of hiring the first assistant secretary for disability policy.

The office is intended to improve job opportunities for people with disabilities. And so I think the Department of Labor now has a real opportunity to reach out that that sector of America that is severely unemployed and to begin to create the kind of work opportunities and enhancements that people with disabilities need in order to become employed.

And so I am hopeful that you will look for an individual to fill that assistant secretary position who really understands and knows what it means to have to overcome disabilities to get to work every day, and what they face in terms of high unemployment rates.

Lastly, or secondly, Ms. Chao, I've been working for several years, as I mentioned to you earlier, to provide increases in funding to developing countries for the purposes of eliminating child labor. Again, I commend to you to look at the five volumes that have been done in the Department of Labor on child labor around the world. It's really the seminal work on the issue of child labor globally. And I hope, again, that you will continue what your predecessors have done to get the Department of Labor involved in working with IPEC and with ILO to eliminate child labor globally and to improve access to basic education in those areas, and working with the Department of Education.

Two last things, fair pay, you hear a lot about equal pay for equal work, to a great extent, that has been taken care of. But we need to enforce it more and you need some more enforcement. But the big issue is equal pay for comparable work. We have too many women in this country who are working in jobs that are designated as female-oriented jobs. And right now, they're making probably less than 70 cents on the dollar for what a man makes for a comparable job. And I think we need to look at the problem of underpaying workers in what has been traditionally female-dominated jobs, such as nursing homes, hospitals, day care, child care, that type of thing.

And so those are the issues I hope to be working together with you on.

Let me just conclude by saying that organized labor has done a lot for this country. I believe that many of the freedoms and many of the quality of life aspects that we enjoy in America have been brought to us because of the efforts of organized labor over many years. I come out of organized labor, that's where my father came from, and I just again hope that you'll have a close working relationship with organized labor. I know you have in the past with United Way, and I have every assurance that you will continue that.

So, again, I welcome and look forward to working with you.

JEFFORDS: Senator Frist?

FRIST: Thank you, Mr. Chairman.

I join in applauding President Bush for your nomination as secretary of labor. Your list of accomplishments are already outlined in so many different fields, whether it's business or whether it's government or the non-profit sector, really is truly remarkable. You distinguished yourself as a leader, as a decision-maker, as one who really does touch

something and that something grows, becomes better, of higher quality, more compassionate. It's consistent as one follows throughout your, as I said, remarkable career.

The path that lays ahead of you as we've gone down and addressed some of those and introduced some of those, indeed will be difficult, but as you look back over your past, whether it is in the Peace Corps or at the Department of Transportation or as CEO of United Way, each and every time, you've brought to the table the maturity, the judgment, the careful thought processes, the common sense to address these complicated, these numerous problems. And I expect -- and I guess we all expect -- that you'll be taking that same set of skills, same set of leadership and management skills to your new position as secretary of labor.

I hope to have the opportunity to address really two issues. And one has been mentioned in part, and that is the new economy, the globalization aspects of the new economy that we see, and in addition to that, the information technology aspects as it affects both the domestic economy, the job creation as well as the globalization which has been mentioned. How will we best prepare this current work force to address the new economy?

The other issue is one that Senator Harkin mentioned, that is, addressing the whole concept of individuals with disabilities, of maximizing the opportunity, the potential of individuals with disabilities. He pointed to Secretary Herman's announcement of the Office of Disability Policy, and I think that is a tremendous first step that we can concentrate, that we can focus and address the whole issue of how to increase the employment rate of individuals with disabilities.

President Bush -- and I look forward to hearing more about that, hopefully over the course of the morning -- had made helping people with disabilities a high priority in terms of quality employment. And he's proposed a comprehensive New Freedom Initiative that will help integrate Americans with disabilities into the workplace.

Again, congratulations. I am delighted. I'm very excited about working with you on a number of these issues as we come forward.

JEFFORDS: Senator Bingaman?

BINGAMAN: Thank you, Mr. Chairman.

Congratulations to you. I certainly intend to support your nomination. I think you're well-qualified for the position. I will be in touch with you on a couple of issues also. Let me just mention them briefly.

One is, we passed a bill this last year to provide compensation to workers who have worked in our nuclear weapons production complex and who have been injured either from exposure to beryllium or radiation or whatever. The responsibility for administering that law has been put at the Department of Labor. And I want to follow up with you to be sure that that's given priority.

I think the law becomes effective in July. So I will certainly be in touch with you on that.

BINGAMAN: The other is trade adjustment assistance. I'm persuaded that it's time for us to modernize our trade adjustment assistance laws. And I hope very much to work with you on that as well.

Congratulations to you. And I wish you well in this new position.

Thank you, Mr. Chairman.

JEFFORDS: I thank my colleagues for excellent statements. It's now our time to turn to the introduction.

Now, to those who will introduce the nominee and I turn first to the senator from Kentucky, the junior senator, for his remarks.

MCCONNELL: Mr. Chairman, if you don't mind, I think we'll have Senator Leahy lead off and then Senator Bunning and then myself. Would that be all right?

JEFFORDS: Well, that's all right. I had it the other way around, but that's quite all right.

LEAHY: Whatever you say, Mr. Chairman. I understand that there's been some concern, and I thank my friends...

JEFFORDS: Certainly, Senator, please proceed.

LEAHY: ... from Kentucky. I really am honored to be here with Elaine Chao. And I think the president made an excellent choice.

Everything has been said about her, I believe, and everybody has said it, but I will put most of this statement in the record. But I wanted to emphasize the high regard there is for Elaine Chao on both sides of the aisle, and also to say how wonderful it is her mother and father and family could be here with her.

Elaine, I can only begin to imagine the sense of pride they're feeling for you, but the sense of pride you must have in having them here.

I first got to know Elaine when she was the director of the Peace Corps, and that, with all the other positions she's held, all of which she's done very, very well, this was an extraordinary one. She expanded the Peace Corps mission beyond its traditional areas of agricultural and health and education. She tried to bring it into the former Soviet republics. What she did was to recruit volunteers with graduate degrees in business. That took the Peace Corps way beyond where it had been, but it focused resources on strengthening the private sector that could be the economic growth in so many of these developing countries.

During the time when I worked with her, I never saw an instance where she did not put our nation's ideas first. I never saw her take political positions or whether those positions that would strengthen the ideas of our country.

Senator Dodd has served and served with distinction, as did some others, in the Peace Corps. And this is the one area where we can really make the ideas of the country shine and she did that.

Same way she did when she went to United Way and restored the tarnished reputation of that organization. That organization has done so much good and would have had to stop doing that good has she not come in there and restored it.

And she also happens to be married to Senator Mitch McConnell. Now Senator McConnell and I are very good friends, but I would say that their marriage is more about his good judgment than anything else. And while we may be different in some political things, we share the common bond that both of us have married way above ourselves.

And this is a case where I saw, I remember when Elaine and Senator McConnell and my wife, Marcelle, and I took a trip to the former Soviet Union together. And, again, how beneficial it was having her there.

Mr. Chairman, I'll just close with this: I consider a great honor to even be asked to be one of the introducers. I think the president has made a very wise choice. I know that you and Senator Kennedy and the committee will hear all the testimony, but I would hope we would have a very early vote on Ms. Chao on the Senate floor and I intend to vote for her.

JEFFORDS: Thank you, Senator Leahy.

Senator Bunning?

BUNNING: Thank you very much, Mr. Chairman.

I don't know if I can add too much to what my senior senator will have to say. He obviously has a pretty good reference. But I'm proud and excited to be here today to help introduce the woman who is going to be the first Cabinet secretary from Kentucky in over 50 years.

I'm extremely happy that the president nominated Elaine to be our labor secretary. She is exceptionally smart and qualified, and someone whose managerial background and temperament will suit here well in that position.

Elaine's biography and experience are impeccable and impressive. The president has made a great choice. She has run government agencies, she has help steer the United Way out of deep trouble. She has worked in the private sector and the academic community. Elaine Chao has done it all, and we're lucky that she wants to serve her country again.

Mr. Chairman, Elaine is living proof that the American dream is alive and well and continues to be alive and well. For all those who think that opportunity is not here in America, she is living proof that it is.

When her family arrived in America, she couldn't speak a single word of English. She is now about to become a Cabinet secretary. Her life story is an inspiration for American workers who struggle to succeed and every day try to do better for themselves and their families.

In Kentucky we take great pride in our people, in our commonwealth. I have always been very, very proud to say that I am a Kentuckian by birth. But in Kentucky we are especially proud of those like Elaine who are Kentuckians by choice. It's just another example of her good judgment.

Mr. Chairman, Elaine Chao will make a great secretary of labor and I hope you confirm her quickly.

Thank you very much.

JEFFORDS: Thank you very much.

I'll turn to the senior senator from Kentucky, who, I believe, has an unusual perspective on the nominee and I would accept, perhaps, that this is the first time that this has occurred in the Senate.

KENNEDY: I want him sworn, Mr...

(LAUGHTER)

(CROSSTALK)

JEFFORDS: Senator McConnell?

MCCONNELL: I thank you very much, Mr. Chairman. And as you can imagine, the last couple of weeks have been overwhelming for our family. The encouragement and positive support Elaine has received since President Bush nominated her for this position has really been stunning. Particularly among the Asian-American community for whom she's been a role model for a long time, extraordinary excitement.

I want to say how incredibly honored I am to be here today, not as the senior senator from Kentucky, but as the proud spouse of a woman I believe will be one of the best secretaries of labor our country has ever had. You all have all addressed her extraordinary accomplishments, and Jim has mentioned the attitude at home; 55 years is a long time since the last Cabinet secretary from Kentucky and our people are just thrilled that this has occurred.

And on a personal note, all of us who have been in politics, I think -- and won elections probably think the great thrills are the nights that we win. But I must tell you, Elaine's selection by President Bush was more exciting than anything I have ever experienced in my entire life. He made a fantastic choice. I hope the committee will do the same.

And now I'm going to do what I do best, and that is to shut up and let Elaine do the talking.

(LAUGHTER)

JEFFORDS: Thank you all for...

(UNKNOWN): Mr. Chairman, in the spirit of honesty, I don't know whether that's what he does best, but I want to thank all of the nominations, the speeches and all and now we will turn -- but first before we turn to your word, I wish you would introduce your family, if you might do that for us, so we can know who's here with you.

CHAO: Now that Mitch has adopted the sense of the adoring spouse, I would love to introduce my family: my father, James Chao -- stand up, Dad -- and my mother, Ruth Chao; my sister, Mae Chao; my younger sister, Angela Chao; and my brother-in-law, Jeff Wong (ph).

Thank you.

(APPLAUSE)

JEFFORDS: Now, please proceed. We look forward to your statement.

CHAO: Thank you. Good morning, Chairman Jeffords, Ranking Member Kennedy, and also members of the committee. Thank you very much for allowing me the opportunity to be with you here today.

I'm honored to be accompanied today by the two senators from my home state of Kentucky, Senator Mitch McConnell, with whom I'm moderately acquainted, and Senator Jim Bunning. Much can be said about both of these men, their integrity, their stature, their achievements. But the most important thing about them is that they have two of the most wonderful wives you've ever seen.

(LAUGHTER)

I also want to thank Senator Leahy of Vermont for coming to introduce me today as well. Senator Leahy and I have worked together in the past, and I truly appreciate his support as I prepare for this position today.

As you have seen, I'm also very blessed to have with me a group of people who are the reason I'm able to come before you in this capacity. And that's my family -- my mother and father, Ruth and James Chao; my sister, Mae Chao, and her husband, Jeff Wong (ph) -- and they're all from New York; and my younger sister, Angela Chao, who flew in from Boston.

Also present in the audience here and other places are many members of the Asian-American community who share pride in my nomination, as I am only the second Asian-American and the first Asian-American female to be nominated to the U.S. Cabinet. I appreciate deeply their support and their encouragement.

Today is also Chinese New Year, a traditionally auspicious day, and I hope that it will be auspicious for me as well. And there are many, many other friends, co-workers and former associates who are here, and I thank them for their support.

You know, surrounded by so many special people like this, who have played such significant roles in my life, I'm reminded that even though I'm personally honored to have been nominated for this position by President Bush, I know that this is not just for me. This is also for all of those immigrant families who come to this country with nothing but their essentials and an unswerving faith in themselves, in the promise of America, and in God. This is also for those struggling families where one or more parents hold down several jobs just to make ends meet, and they have little bargaining power with an employer over issues of pay, benefits and safety.

This is for those who have encountered barriers to getting good jobs, whether that barrier is a physical disability or some form of prejudice or, as in the case of many immigrant families like my own, barriers of language and culture.

This is for the many thousands of Americans I encountered as president and CEO of United Way of America, those who are served by the charities that it supports, who want to leave behind a destructive lifestyle and need a helping hand to lift them up into productive, healthy, dignified lives. These are the people who have been helped by Welfare to Work and who are counting on it to being reauthorized.

And this is also for all of those women in the work force who were once told not many years ago that the highest position to which they could aspire was to become a secretary, and with your guidance and support, that's exactly what I hope to become.

(LAUGHTER)

Through the diverse experiences that I've had, from struggling to learn English as a young child to serving as deputy secretary of transportation, director of the Peace Corps, president and CEO of United Way of America, I have seen that all work is worthy of respect and virtually all workers need appropriate protection.

And the way I see it, the Department of Labor represents all workers, both those who choose to join unions and those who do not. It represents those who have been denied equal access to good jobs or advancement because of residual prejudice against their race, gender, ethnicity, national origin or religion.

It represents veterans and those returning from temporary military service who want to start or renew careers in the private sector.

And it represents those who have not been allowed to reach their full potential because of physical disability. In the last decade, we have made tremendous progress in opening the workplace to disabled Americans, starting with the Americans with Disabilities Act that was signed by former President Bush nearly a decade ago.

Today, through the work of Senator Harkin and others on this committee, we have a new Office of Disability Policy as well as a new assistant secretary to oversee that mission.

Now, President Bush does want to go further, and he has proposed a new freedom initiative that will harness the latest technology to give disabled Americans even greater access to work opportunity.

These changes are a reflection of what work truly means to most of us, and that is that it's not just a way of paying the bills but also a pathway to gaining respect and human dignity.

In that same light, I commend the Department of Labor for taking steps to recognize and value the kind of work that most of our mothers did, running a household and raising a family. And if we think that that's not work, then we don't really know what work really is.

So, thanks, Mom.

As I've been preparing for the awesome responsibility of serving as secretary of labor, should you extend me that honor, I have been struck by the rich heritage of this department. I am very much aware that so much of the work force protection that we now take for granted in this country were born out of the Labor Department, that labor movement.

The labor struggles of the early part of the last century and the laws that grew out of them are a critical part of this nation's historic commitment to justice for all. The balances that these laws strike between labor and management are a critical source of stability in economy as well as a guarantee of fairness in the workplace. And in recent years, we have seen how these two forces must come together and work cooperatively in order to compete successfully in the world economy.

For all of these reasons, I believe that a critical part of my responsibility, should I be confirmed as secretary of labor, is to fully, fairly and evenly enforce the labor laws of this country. And I believe further that any change in our labor laws or in their interpretation must be carefully and solemnly considered, giving respectful and full attention to the views of every participant in the labor-management equation.

At the same time, it will be my goal as secretary of labor to make sure that the department, its programs and its mission are in step with a dramatically new economy that continues to evolve right before our eyes.

If the ongoing activities of the Department of Labor do not reflect the emerging realities of a new economy, then sooner or later, the department will be unable to fulfill its responsibilities to the workplace that it is supposed to serve.

To me, perhaps the greatest challenge faced by the Department of Labor and one that demands immediate attention is represented by what I am holding in my hand today. This is a recently published listing of unfilled high-tech positions all across America. This publication and others like it advertise thousands upon thousands of well-paying jobs, most of them with unlimited future opportunities, and earning potential unmet, and employers so hungry for applicants that they offer to pay all travel expenses for perspective employees, and a demand for a qualified labor that is so great that all historical barriers of race and gender and disability are almost irrelevant.

So you might ask: What's the problem? It sounds like a utopia. And yet, unfortunately, as of this moment, it is only a promise that we must work to fulfill, because in America today there are thousands, tens of thousands, perhaps hundreds of thousands, of high-tech jobs that cannot be filled, while at the same time there are millions of Americans who cannot currently fill them. That, I believe, is a supreme challenge that this Labor Department faces at the threshold of a new millennium.

And that's why President Bush has expressed a strong commitment to build upon and improve our national job training efforts. We need to ensure that job training funds are targeted to bridge this gap between these high-paying, but high-skilled positions that need qualified workers and the millions of Americans who need additional training to be able to fill them.

We also need to recognize how broadly this new economy is revolutionizing the workplace. We now live in a world where workers are being empowered to be managers as well as shareholders and even owners of the companies in which they work. Younger workers are increasingly taking their retirement into their hands, rather than relying on the government or an employer or union to provide it for them.

In one sense, the new economy is deconstructing work with jobs that cannot be pigeonholed into traditional workday or work week, and corporate structures that, in some cases, are eliminating the need for workplace altogether.

Workers themselves are demanding more autonomy, more freedom, more customization of the terms and conditions of their employment. And as we invest in critical job training, we're giving workers the bargaining power they need to custom design their jobs around their lives, instead of the other way around.

So in order to remain relevant and responsive to workers' needs, even the Department of Labor will need to adapt to the reality of the changing economy. It's not that there's a new administration in town; there's a whole new world that we need to respond to.

CHAO: What changes need to take place, how and when they need to be implemented, should be the subject of a continuing and robust dialogue between the department, the Congress and all those who play a role in labor-management relations.

It's been said many times in the last few years that we need to build a bridge to the 21st century. Well, I believe the best way to build a bridge, figuratively speaking, is for people on both sides, on all sides, to get working and find an appropriate meeting place somewhere in the middle. I look forward to that process, which I started even today as you share with me your concerns and your ideas in this hearing.

I may not be able to fully answer all your questions today, but I pledge to maintain an open line of communication so that together we can best serve the working men and women of this country.

Thank you very much, and I'd be delighted to answer any questions.

JEFFORDS: Thank you very much. I want to say that's one of the most articulate, incisive and moving statements I've ever heard from someone coming before this committee.

CHAO: Thank you.

JEFFORDS: And I praise you for that.

We will now have the opportunity for each member to ask questions for five minutes. That includes the answers, so you can probably control that to a certain extent.

(LAUGHTER)

CHAO: Thank you.

JEFFORDS: I would hope you would allow us to listen to you, to the answers to these questions.

I'll start. It's one that I expect you know we are going to get.

Here in Congress, one issue we seem to continue to grapple with is our federal minimum wage. But I do not believe that the minimum wage is the only way or even the best way to give folks in need a helping hand to get out of poverty. I do believe that the time has come to raise the minimum wage again. An increase will go a long way toward helping those workers obtain the basic needs for themselves and their families. Now, I recognize that raising the minimum wage is our job. However, I'm wondering if you could tell us what your view is on this subject? Or the administration's?

CHAO: Sure. The president's position on the minimum wage is that it should be increased. And his proposal would also include that the community should have some flexibility to ensure that any minimum wage increase would not hurt employment in rural and economically depressed areas. And I support that.

We need to remember that the real minimum wage is always zero and people who truly need work are effectively shut out of the labor pool by a nationally mandated minimum wage that restricts employment in economically stricken areas. However, under the president's plan, even in these rural communities with a lower cost of living, employers should still be required to abide by the current federal minimum wage, and this flexible plan is a fair proposal, designed to save jobs as well.

As secretary of labor, you should have no doubt that I will vigorously enforce our nation's wage laws and strive to guarantee that an honest day's work results in an honest day's pay.

Thank you.

JEFFORDS: As I indicated in my statement, I look forward to working with you on job training also and the continued implementation of the Workforce Investment Act. One of the key provisions of the act was the importance of coordinating job training with vocational and technical education. What are your thoughts as to how the relationship between job training, run through DOL, and vocational education, being run by the Department of Education, can be improved or coordinated or what are your views on this?

CHAO: Let me say at the outset that training, developing and modernizing America's work force is one of my highest priorities. I want to ensure that the department job training programs are designed to make our work force as prepared as possible for the challenges of the 21st century. I will also ensure that President Bush's efforts to reauthorize Welfare to Work are complemented by new, one-step job training centers administered at the local level, as provided by the new Workforce Investment Act.

Secondly, quality job training must be available so that aspiring workers can get the job that they need in our new economy. This would require the full commitment of and coordination among federal, state and local governments, as well as organized labor and businesses. There is broad consensus on the need for such an effort, and I look forward to coordinating and being a part of helping and facilitating that effort.

Thirdly, to lead the global economy, we've got to continue to have the most skilled, trained and versatile work force in the world, and no worker should be left behind. The Department of Labor must provide our work force with the skills necessary to compete in America and around the world as we continue to move into a new and more global economy.

And with Secretary Paige having been confirmed, I look forward to working with the Department of Education in a very coordinated and a close fashion to ensure that both our departments are working in a coordinated fashion to ensure that all workers are prepared to face a new economy, a global marketplace, from K-12 and from thereafter.

JEFFORDS: The last question, I'm going to turn to the questions of health care. Health care premiums are increasing again, and for the third year in a row, U.S. employers can count on the average increases for the next year, 10 to 13 percent. Historically, premium increases have caused more people to become uninsured. Today, there are 43 million Americans with no health insurance. An important part of any managed care reform debate is impact on cost. Do you have any thoughts on how we can draft a patients' bill of rights so it does not increase the cost of health care?

CHAO: Senator, I wish I could draft a ideal patients' bill of rights. I suspect if I were, I would be the hero of this country. But as you know, the president will support a strong patients' bill of rights. And he wants a bill, obviously, that will not increase the number of uninsured Americans. And I support that as well.

Employers are not required to offer health plans to their employees at this point. They do so because it is an attractive benefit for employees and their families. Such arrangements should be encouraged, not hindered, by higher insurance costs and increased exposure to liability. What we need to do is carefully assess the impact of competing proposals on employer-sponsored health insurance plans. And the last thing that any one of us want to do is to pass a bill that causes hundreds of thousands of employees to lose their health benefits.

But as secretary, I will enforce any provision of a patients' bill of rights that is assigned to my department.

JEFFORDS: Thank you.

Senator Dodd?

DODD: Thank you very much, Mr. Chairman.

And I too want to commend you, Ms. Chao, for your statement. I thought it was an excellent statement you made.

And while I know this is new territory for you, having had a background in the transportation area, I'm a great believer, bright people with good sense, common sense, coming in, that you'll quickly learn the issues here at the Department of Labor.

I want to thank Senator Harkin as well -- I wish I had said it in my opening remarks -- talking organized labor. And we need to get beyond this issue of sort of seeing organized labor as the enemy. And the numbers are dropping of people who are part of organized labor in the country, at least the numbers are today. And I just take it from your background and experience at United Way and elsewhere, how closely you've worked with leaders who have made a huge difference, not only in the lives of their members, but for working people generally.

I've always said, I know very few other organizations who battle as hard on behalf of people who are not their members. There's not a single member of organized labor in this country who earns the minimum wage.

DODD: There's not a single member or very few members who are actually getting the benefits of family and medical leave, in a sense. I mean, these are issues that went beyond their own constituency. So I have great respect for the work they've done and the difference they've made in contributing to the strength and well-being of America, and I know you share those views.

I just want to touch on three subject matters. I'm may only get to one or two of them in five minutes, and I suspect others may pick up on them, so I'll follow through. And that is what I've mentioned, the family and medical leave and also the Employment and Training Act. This is an extremely important issue for us here. And you addressed it -- the administration, excuse me -- by raising that newspaper column and talking about what Senator Mikulski addressed on numerous occasions. And that is -- she said again this morning -- it's not a worker shortage; it's a skill shortage.

And I'm just going over -- looking at the budget for the employment and training administration from the previous few years. And, obviously, there are a lot of pressures on these areas. But if you look down that whole budget area on training and employment services, Work Force Investment Act, youth opportunity grants, it's been pretty much a flat line over the last number of years.

And you made the point eloquently about how we've got to do a better job. A lot of us are hounded to death by constituents and businesses for the H1B visas, but we've dealt with it up here. And in the absence of anything else, we've been supportive of providing those visas for people because our businesses need them in order to fill the skilled job levels they have.

But I know in Fairfield County, alone, in Connecticut, there were some 50,000 jobs a few years ago that were going unmet by people in my own state because the skill levels were not being met. And so we spent a lot of time trying to bring people in from India, Pakistan, Bangladesh other places where the skill levels were high. And it seems to me, while that has been helpful, that the real issue is finding or providing the skill level and training for our own citizens here to be able to apply and meet those job requirements.

I always say -- and certainly something you'd agree with, too -- the influx of people contribute greatly to the strength of our country. But, obviously, being able to provide some training -- I'm not going to ask you to get into the numbers discussion with me here except to take note of it.

If you'd take a look at it as the budget battles come up, are there tax incentives which can be helpful? Sometimes these direct appropriations, which can get and improve the job training programs, can most directly meet the needs we discussed.

And secondly -- and then I'll just finish this on the family and leave, and I'll leave the occupational safety issues to others who may raise them. And that is, just if might express here some thoughts on the family and medical leave issue. Again, I mention these reports

that have come out in the last few weeks that indicate that while there are some problems for business, that overall the bottom line has been a strong one here.

And there's some discussion -- Senator Bond mentioned, that we settled on the number of 50 for employees. We did that as a political compromise at the time. Actually, I could have lowered it to 25. In 1993, I had the votes to change that, and I had a president who would have signed it. Since that number is historically used to define small business: 25 and less.

And we've served now some 35 million people, but we're missing about 15 million people who fall into that category -- most of them women -- for birth and adoption, which it will be so critical, those early days of a child's life, to have a parent around who can be with them. Again, I'm preaching to the choir here. I know you understand this.

And I'm not asking you to take a position on that particular point, but if you might just share some general thoughts on the Family and Medical Leave Act and how good a law you may think it is or problems that you may have thought about that need to be addressed.

CHAO: Well, first of all, I want to thank you very much for sharing with me your concerns and the issues that you want to pay particular attention to.

And to every other member of the committee, I want to thank you also. I do need guidance, and I do need want to seek counsel from all of you as I begin this new position should I be confirmed. And I will look again very much forward to your counsel. So, it's helpful to me to know what you're interested in.

On the whole issue of budget, I'm glad you're not going to ask me any questions on that, because even though I pride myself with being pretty good with numbers, the department's budget is one that I've not studied in depth. And as everyone knows, the budget is pretty much set for this year. And there will be areas which we can adjust and tweak, but pretty much the budget will be submitted Congress as is from the previous administration.

I will take note, of course, of the straight-line trend that you have pointed out, and I will study and take a look at it and see what was behind it and study it a bit.

As for the Family and Medical Leave Act, I think that has brought about a great deal of benefits for working families that need flexibility. I am also cognizant and sensitive, however, to small businesses. And you are right: The 25-employee threshold is one that's traditionally been used. In this case, in this particular act, it's at 50.

I know that this is going to be an issue of robust debate. There are those who will be on both sides of the issue. And I think at this point, I want to keep an open mind. I want to listen to what people have to say on both sides. And hopefully, I will be a fast student and that I will be a receptive student as well.

DODD: Thank you for that.

Thank you very much, Mr. Chairman.

JEFFORDS: Senator Gregg?

GREGG: Thank you. I don't want to get into too many specifics, but the Family and Medical Leave Act is an issue. Not because it isn't a great idea. It's an excellent idea. It's just that the way it's been administered by the department has created some chaos in the marketplace. For example, at one point, they were saying that colds and the common flu were not subject to family medical leave, and the next year, they said it was.

And then they have notification requirements which are very complicated and very hard to administer for many small businesses, especially, where you have to have written notification within two days that the event is a family medical leave event.

And then there is the fact that the way it's structured now, companies which reward people for attendance end up having to abandon those reward programs, which often works against

the employee in many instances, because employees who have high attendance end up losing those reward programs, which in many cases they use for their vacation time when they take their family on trips or things, depend on what the reward program is.

So, the Family and Medical Leave Act does have some technical issues that need, I think, to be worked on. And I know you'll hear a lot about them. And I know you're going to take a hard and long look at them.

GREGG: One of them is the proposal -- as a former governor, that I found very difficult to accept that a person should receive unemployment compensation for a family and medical leave event. Unemployment compensation is an insurance program which states, like mine that went through the recession of the early '90s, found their unemployment insurance programs drained and they ended up with huge financial problems. And traditionally, unemployment insurance has been used for a termination event, not for a voluntary event. And so I do hope you'll take a look at that issue as well.

The thing I wanted to talk to you about specifically, though, was your question here on technology. I find this very appropriate that you're going to focus on the issue of how we get more people trained to do our technology jobs, which are the cutting edge of our economy and the cutting edge of employment. At least in my state and in the Northeast and many other regions, obviously, but certainly in our state, more people are employed in technology than any other state on a per capital basis in the country.

So I'd be interested in if you could just give us a few minutes of -- maybe you haven't gotten it formulated yet -- but what you're thinking about; how we make these training programs, which we've all worked very hard on over the years to make relevant, how we make them more relevant to the communication economy and the technology economy?

CHAO: Well, the high-tech industry in America is really the envy the world over. And clearly it's been an engine of growth for this great, robust economy that we're experiencing.

If we expect to continue this robust growth, clearly they need more experienced, more skilled workers. And this gap that we have just talked about here, where there is a tremendous need for skilled workers and the lack of skills on the part of so many Americans, who are unable to fulfill them, I think is an initiative that needs to receive increased priority. Because if we talk about the modern workplace, if we talk about empowerment, we really want to be able to empower workers to take advantage of all these opportunities.

So I would hope that one of the first steps in addressing this issue is to acknowledge how important it is, and to be able to prioritize it as one of your department's priorities, and devote it the requisite to management, as well as the financial resources to the extent possible. But more important, the management attention.

And I would hope that I would bring into this discussion the best and the brightest minds on how do we bridge this gap. And what are the requirements on one side? What are the assets of the other? And how can we mesh the two together?

GREGG: I think that's the right priority. I would hope that you would include in that exercise the fact that there's a lot of creative activity occurring out in the states. Especially at the technical college level, I know in my state. And that unfortunately there tends to be a one-brush-fits-all approach when we get to regulations coming from Washington in how we manage the technical training aspects.

And so I would hope you would create atmospheres where experimentation of approaches and ideas that aren't necessarily appropriate to all communities that can be tried by others will be more readily received by the federal agencies.

CHAO: I think there are lots of opportunities for public-private partners. And I understand your advice and I look forward to following up on that.

GREGG: Thank you.

JEFFORDS: Senator Kennedy?

KENNEDY: Thank you. And let me apologize: We had a brief meeting of the Judiciary Committee, which I needed to attend for a few moments.

I want to come back to an issue I know that was raised previously by our chair, and that is the minimum wage. And I feel strongly about that issue. I understand the president's position about letting states affectively opt out. We have states now that are down to \$1.50 an hour for minimum wage and some at \$2.80 and another at \$3.50.

KENNEDY: I mean, they really don't provide any, kind of, adequate resources for these workers.

And the workers we're talking about, as you understand, Ms. Chao, we're talking about assistant teachers, we're talking about men and women that work in our nursing homes. We're talking primarily about women, because the great majority of minimum wage workers are women. We're talking about children, because a great percent of the women have children. We're talking about as a civil rights issue, because great numbers of those that earn the minimum wage are men and women of color.

And, most of all, we're talking about a fairness issue. I mean, it's been supported by Republican presidents as well as Democrats and all.

And, what bothers me, quite frankly, is we were very, very quite in the last Congress to increase the pay for members of Congress. We didn't hesitate. We didn't need a study. We didn't know what the economic impact was going to be. But, nonetheless, we went right out and increased all of the members of the Congress on that, but we were still unwilling to deal with an issue which is of such basic fundamental importance for people trying to survive on this.

So this is an issue of enormous importance. I know you've thought about it and I know you'll be carrying through the president's position about it, but I wanted to just mention it again to you so that you had a sense about, again, the importance of it in terms of what I think is fairness.

The greatest economy in the history of the country and we've already lost the increases that we had two years ago on the increase. We provided \$11 billion in tax incentives in the last time that we had increase. The first time we ever had to do it (inaudible) from 11 to 18, and we were told last -- in the last Congress, we had to provide \$73 billion in tax reductions in order to have an increase in the minimum wage, which is basically holding these 11 million people hostage to tax breaks for the wealthy individuals and that's an untenable position, I think, and we are going to press this along and we're going to try -- we want to work with you on it.

And I know we have some understanding of your position, but I hope you also have a pretty good sense about the, sort of, intensity of those that feel that fairness demands that working people, and we're talking about people that are working, more often than not have two jobs, have rare times -- the average minimum wage worker now has 25 hours a week less with their children than they did 10 years ago, just to spend time with their children. And I just hope that, you know, as we move on through this process, we can continue to raise this with you and talk about it and hear your points. But I hope that you have a sense about where we're coming from.

CHAO: Senator, I appreciate very much your sharing with me your viewpoint. Obviously, you're very passionate about this issue and I understand that.

Let me just clarify. My previous comments were not meant to be interpreted as any attempt to dismantle the federal minimum wage. And obviously, the president's proposal will maintain the current \$5.15 even in high-employment rural counties. So, I will...

KENNEDY: We won't get in the most -- really, the studies show that it really hasn't had -- we've got the highest employment in minority teenagers. Their parents are all for it. They're not trying to -- minority groups are all for it. They're not throwing over the interest of teenagers and the rest of it. We'll have a chance to come back.

I want to, in the time that's left, focus on the ergonomics. Now, this is what we had on the ergonomics as early as 1989. Ann McLaughlin, President Reagan's secretary, praised the settlement agreement in ergonomic cases -- "an industry-wide blueprint for dealing with ergonomic problems and to provide other industries with valuable information for handling their own cumulative trauma disorders."

In 1990, President Bush's secretary of labor, Elizabeth Dole, said that, "eliminating the hazards of cumulative trauma disorders back injury, tendon disorders will be one of the most important work issues of the '90s." In '92, Secretary of Labor, Lynn Martin, continued to work on ergonomic rule-making.

We've got, as I mentioned, 1,800,000 people that have these problems. More than 600,000 workers lose time.

KENNEDY: Most of the studies show that actually it saves the employers funds.

And the interesting point about it is the implementation doesn't go into effect until there's an injury. I mean, I think that's a weakness of the provisions myself.

You've indicated in your testimony that before you altered or changed any of the policies dealing with labor that, "And further, I believe that any change" -- this is on page 4 -- "I believe that any change in labor laws or their interpretation must be carefully and soundly considered, giving respectful attention to the views of every participant in the labor-management equation." Will you give us those assurances on this issue, on the ergonomic issue?

CHAO: Absolutely. If there is one thing that I have already learned since the week and a half that I've been informed that I will be the labor secretary nominee, is that this is the most, probably, visible issue in the department. This is a final rule that became effective on January 16 of this year. It clearly is very, very visible. There's a great deal of opinions on both sides about it. The National Academy of Sciences has issued a study on this.

The overall conclusion that I draw is that it's an extremely complicated issue, a very complex issue. And I can assure you that, should I be confirmed, I will give this issue the greatest thought and effort and study.

And, of course, as you well know, this is in litigation right now, so it's probably inappropriate for me to say very much beyond that.

KENNEDY: Well, the promulgation have already been -- are out at the present time.

CHAO: Yes. But the final rule is January 16.

KENNEDY: My time is up, Mr. Chairman.

JEFFORDS: Senator Frist?

FRIST: Thank you, Mr. Chairman.

And I'd like to come back to a couple of the issues that I mentioned in our brief opening statement. Before doing that, on the Patient Bill of Rights -- and I agree with your comments in response to the chairman's question -- I think the principles do need to be to return --

medical decision-making be made by physicians, people in the medical arena, in consultation with the patients, and not having HMO bureaucrats do that.

Number two, we do have to avoid a litigation lottery, which many of the proposals have put forward.

Number three, we have to have an internal and external appeals process that is rapid, that is responsive, with ultimately final decisions being made by physicians, as long as they have to do with medical decisions.

And fourth, respect of state efforts, and the many state efforts that have been put forward that have respected the great strides that many employers have made in terms of making sure that the best benefits are offered in a way that respects individuals, respects consumers and patients.

Going back one other time to the disabilities issue, and it's been mentioned several times, and the February 9 announcement by Secretary Herman in creating the Office of Disability Policy has been stated, and their purpose and their direction has been spelled out with responsibilities of the office, including ensuring that people with disabilities get full consideration in all programs funded or managed by the department, evaluating all laws enforced by the department to remove any barriers that may exist for people with disabilities, ensuring that all services of one-stop centers created by the Work Force Investment Act are accessible for people with disabilities.

Again, many of us are very excited about that, think it gives true focus.

Could you comment on President Bush's initiative? President Bush has put forward an initiative which I think complements these overall efforts very well. It's been called the New Freedom Initiative. He's proposed what is a comprehensive initiative to help integrate Americans with disabilities into the workplace.

I'm not sure, again, because of the brevity of time, how much thought you've been able to give about the role of a new agency that might play a part, and maybe a major part of this New Freedom Initiative. Could you comment on how you might integrate these two in a way that would respect the initiatives both of Secretary Herman, Senator Harkin, as mentioned, as well as President Bush?

CHAO: I'd be delighted to. The president and I strongly support implementation of his, if you have heard, New Freedom Initiative.

CHAO: This is a 10-year, \$1 billion, multi-departmental effort to enhance independence, employment opportunities and the community involvement for millions of Americans with disabilities. As the range in efficacy of assisted technology grows, an increasing number of disabled Americans want to acquire this revolutionary, but often very expensive, equipment. And so the president and I will support loan programs and guarantees that will enable people with disabilities to purchase the technology that they need to be independent and productive. We'll also promote stronger investments in research and development to make assistive technology more widely available.

As I've talked about before, the changing nature of the American work force and the increased potential for telework also holds great promise for many Americans, especially those with disabilities.

Employers faced with employee and workspace shortages are coming to realize the value of telework. And we need to make sure that disabled Americans are permitted to take advantage of these new working arrangements.

I am pleased that the Department of Labor has been given a new office for disability policy and that there will be a new assistant secretary to oversee the mission.

I look forward to utilizing this new office of the department to help disabled Americans realize their full potential in America's work force and this new office would compliment the important work that the Office of Veterans' Training already does now to help veterans, disabled veterans with job training.

FRIST: Thank you. The other issue that I mentioned -- I have just a few seconds -- is the new economy. We've mentioned the globalization, information technology. Senator Gregg also mentioned the importance of appropriate training.

Because we don't have time, probably for you answer the question or comment for very long, but yesterday the president introduced his education proposal, a blueprint as looking to the future. As part of that, he focused on enhancing education through technology: sending more dollars to schools, the public schools K through 12 for technology; allowing funds to be used in a certain way to promote job training; offer matching grants for community technology centers.

I just want to encourage you, as we look for continuity from those early years to the later years, to have the department in job training, in maximizing the resources that hopefully we will increasingly place in the K through 12 to integrate those in a way that is seamless that makes sense as we prepare for this new economy.

I guess my time is up, Mr. Chairman.

CHAO: I totally agree with that. One of the things that I have been finding is the need for the Department of Labor to work with the Department of Education. Education always takes care of K through 12 and Department of Labor works with people who have been through a good education or not so good education. So the two departments do need to work closely together.

FRIST: Thank you.

JEFFORDS: Thank you.

Senator Hutchinson?

HUTCHINSON: Thank you very much, Mr. Chairman.

And, Ms. Chao, thank you very much for a very outstanding statement. And all of the things you were saying about using the department to enhance the ability of people with disabilities to find meaningful employment is, indeed, music to my ears and I'm sure to a lot of us. We look forward to working with you in those efforts.

To further integrate Americans with disabilities in the work force requires a multifaceted approach. For example, same things I know you're already aware of, but when a perspective employee goes in for an interview, if they're qualified, they'd be offered the job. The perspective employer never asks, "Can you get to work? You got a car? Can you get on the subway?" I mean, that's left to you, the employee to get to work. However, for millions of Americans with disabilities transportation may be one of the keys for them to get meaningful employment.

The other one is job training. Many people with disabilities are qualified, but they need some additional training, especially in the new technologies.

Many people with disabilities also need community support services; some type of an attendant service, for example. For example, my nephew, who's quadriplegic, has to have a nurse to make sure he gets out of bed in the morning. Gets him ready to go. Gets him his exercises. Does all this stuff. But after that he's fine. He can go to work. And when he comes home he has to have the same thing at night. If that were not there, he could not be gainfully employed.

HUTCHINSON: And so, I guess what I'm asking you is, again -- I talked to Governor Thompson about this last week at HHS, is we really need inter-agency, kind of, cooperation on this.

Now, the Office of Disability Policy that you mentioned in your statement, that you will have jurisdiction over in the Department of Labor, I believe could be the coordinating agency within the federal government for transportation, for Health and Human Services, for community support services, your area of DOL and job training; that type of thing.

And so I'm hopeful that you will look upon this office as, sort of, the central office to coordinate and to reach out to coordinate all of these various activities. I just want to ask you for any views you might have on it.

CHAO: I think that will be very exciting.

HUTCHINSON: And I think you'll find Governor Thompson very willing to move ahead on that.

The other two areas that I had that I just wanted to question briefly on was -- we just had a long -- I think it lasted -- well, it's been on the docket now for almost 10 years, and that's the ergonomics rule. In fact, Secretary Elizabeth Dole is the one, in 1990, who called for action in which she recognized, as I quote, "One of the nation's most debilitating across the board workers' safety and health illnesses of the 1990s." Secretary Dole committed the department to develop an ergonomic standard. And she stated, and I quote again: "These painful and sometimes crippling illnesses now make up 48 percent of all recordable industrial work place illnesses. We must do our utmost to protect workers from these hazards, not only in the red meat industry but all U.S. industries."

The ergonomic standard, we had that, and we debated it ad nauseum for three or four years here. And it finally got through, and it's been reworked and reworked a number of times and was finally put into the record, I believe, in November, if I'm not mistaken. I think it was November -- it was published in the record, I believe, in November.

CHAO: Final rule came out January 16.

HUTCHINSON: Yes, it's implemented. It's been implemented now. Again, I just want to ask your opinion of the ergonomic standard, and do you agree with Secretary Dole that a standard is needed to protect workers? And are you fully committed to implementing and carrying out the standard as it is now implemented as of this month?

CHAO: I don't think there's anybody in this room who's not committed to ensuring worker safety. I think employers have a vested interest in safety as well. I mean, it's to their benefit in this very, very tight labor market where each employee represents a major investment in training and development.

I'm obviously very concerned, as the new secretary of labor, on the physical safety of every worker. From what I understand based on my brief introduction to this issue, it is apparently a very complicated issue. There is a department's 1,800-page ergonomics regulatory proposal. There is also a 300-page report by the National Academy of Sciences. So, I understand the concern that people have on this.

The final rule just went out January 16. It's been litigated already. I can assure you that my commitment to you is that I will want to have an open and full dialogue with all of you to the extent possible, and I will take every point of view into consideration.

Again, it's a very -- I know enough to know that it is a very complicated issue.

HUTCHINSON: But one that's important to a lot of, again, women and minorities in this country. I hope that you would work with the National Safety Council in terms of the regulations in OSHA and what OSHA's doing. They have really been great in their efforts in terms of providing worker safety protections, especially in agriculture.

One last thing, on child labor, the Child Labor Coalition which is a group of NGOs here in this country have come up with what they call the National Program of Action to make sure that we are in compliance with the ILO Convention 182.

Well, the United States ratified -- or Senate ratified last year ILO Convention 182 concerning the prohibition and immediate action for the elimination of the worst forms of child labor. We were the third nation to ratify it. But this has a lot to do, sometimes, with domestic child labor in this country.

And so, the Child Labor Coalition is a group of NGOs who have come up with a National Program of Action. And again, if you are not familiar with this now, I'd hope that you would be and to take the lead on the development of a National Program of Action to ensure that the United States will be in compliance with ILO Convention 182, which we just ratified last year.

And under your leadership, will the Labor Department continue its active support of international efforts and programs to end abusive child labor?

CHAO: Well, Senator, you and I have discussed this during our meeting together, and as you well know, during my tenure as director of the Peace Corps, I personally have seen the horrific condition that children have to labor in in some of these countries.

CHAO: And so you can be assured that I will support vigorous enforcement of U.S. laws prohibiting the use of child labor. The president and I are also committed to using our influence to encourage other nations to restrict the use of child labor. And as you mentioned, the Senate recently ratified the ILO convention prohibiting the worst child labor abuses.

I understand that your concern now is the child labor abuses here in our country, and I can assure you that it will receive my full attention and my concern.

HUTCHINSON: Thank you very much.

JEFFORDS: Thank you, Senator.

We're going to have a vote at 11:30. I would suggest that -- I'm going down the group here, and so I would suggest that maybe those that are a ways away from their time could go and vote now and so we won't have to interrupt the proceedings. And the same over here.

Senator Enzi?

ENZI: Thank you, Mr. Chairman.

And I want to thank Secretary-designate Chao for the time that she spent meeting with me and talking about a number of these issues.

What you may not realize is that the Subcommittee on Employment Safety and Training, that I chair and that Senator Wellstone is the ranking member on, is one of the most bipartisan committees here. I'm sure that comes as a surprise to a lot of people. But actually, during my tenure here, we have passed the first legislative changes in OSHA in the nearly 30 years that it's been in existence. And we've done that by unanimous consent, which doesn't get any publicity, which is why you may not have heard about that.

But we have frequent meetings with, particularly, the assistant secretary for the department which deals with OSHA. And one of the things that he has lamented, and that I certainly have to agree with, is that the rule-making process for OSHA does not allow for us to update the process to comply with changes that have happened in the nearly 30 years that it's been in existence. Not one rule that OSHA has promulgated has ever had a change to it in nearly 30 years. Business has changed dramatically.

I hope that you will work with me to change that process for OSHA so that it can have more flexibility, more responsiveness to the businesses. Would you be willing to do that?

CHAO: Absolutely, you have my commitment on that.

ENZI: Thank you.

Earlier, Senator Dodd mentioned that we've got to quit looking at the unions as being the enemy. I want to emphasize that we've got to quit looking at business as being the enemy as well. One of the things we have to do with all of the people involved in employment safety and training is try to encourage the good and try to punish the bad. And I think that's kind of what OSHA and MSHA and a number of the agencies that come under your jurisdiction are charged with.

One of the difficulties is that small businesses have these tremendous volumes of law that they have to go through. You mentioned the 800 pages of the ergonomics law. That's a lot for a small business to go through.

We've held some hearings in Wyoming on it. I do remember that one of the news media folks came up to me afterwards and said, "Well, you only had about 100 people here. That's not very good."

I said, "Well, take into consideration the size of the town first, and secondly that the people that we heard from are the small business people. If they had enough people to send them to a day's hearing, they'd fire them because it would be too much of an overload for what they're trying to do."

So I want to mention that our subcommittee has also gotten approval from the Senate as a whole in the last two appropriations processes that half of the increase in money that goes to OSHA would be spent on consultation, so that we can help these small businesses to understand that.

What can you do to include small business in the regulatory and compliance process?

CHAO: I think that there should be great comfort in the fact that I have worked with organized labor and I have also worked with small business.

CHAO: I think you're right, I think sometimes both sides tend to view the worst in each other, and I pride myself on being someone who can work with diverse groups, who can find the mutual ground of commonality, and who has the trust on both sides.

In terms of organized labor, I have worked with organized labor in the very lofty ideals of America's number one charity, and organized labor is a full partner with corporate America in raising the financial resources available to help those in need.

I have also worked with small businesses and understand the tremendous pressures that they face on a daily basis -- in trying to meet a payroll, in trying to find enough resources to be able to handle the myriad of crisis and management issues that erupt on a daily basis -- and how we can help small businesses deal with this plethora of regulations that is coming out of Washington.

And I believe that if we work together, if we maintain open dialogue, and if we use smartly the resources of the federal government in a better matched, coordinated fashion, I think we can accomplish a great deal.

So to that extent, for example, in terms of small business, the Department of Labor can work with the SBA, with the Commerce Department, which of course is larger businesses, with the Small Business Administration.

The Small Business Administration very often holds these annual or semiannual workshops or summits, and clearly the Department of Labor can partner with SBA to reach out to small

businesses to help them understand the regulations that are involved; and also in the process of looking at future legislation as well, to be cognizant of the regulatory burdens that are placed on small businesses.

I think everyone recognizes that the largest number of new jobs are created by small businesses, and so the issue is how do we foster that continued increase in new jobs, yet provide protection for our workers which they deserve and thus is the responsibility of the Department of Labor and the secretary of labor, that is to ensure the physical safety and security and opportunities for working men and women of America and to ensure that those opportunities are still there.

So it's going to require balance, and it's going to require someone who's willing to listen and understand both sides and who's had a track record in working with people from all different spectrums. And I hope I'm that person and I look forward to tackling those issues.

Thank you.

ENZI: Thank you very much. I look working to with you.

JEFFORDS: Senator Mikulski?

MIKULSKI: Thank you very much, Mr. Chairman.

And Ms. Chao, first of all, it's just wonderful to see your family.

CHAO: Thank you.

MIKULSKI: And it was wonderful to hear your story. I've read about this very compelling story and poignant story, but to see your dad and mom and your sisters and brother-in-law, really I know how proud they are of you today. But we're proud of them for what they've done and so on. So anyway, our respect to you and our joy for you on this happy occasion.

I'd like to come back to the skill shortage issue. And I don't know if your microphone is as bad as I am, I hear the conversations up here better.

CHAO: That's better. Thank you.

MIKULSKI: Thank you.

But you have a predecessor in Senator -- Bill Brock...

CHAO: Yes.

MIKULSKI: ... was an excellent secretary of labor. And one of the things that he did was kind of do a report on America's work force shortage. And a lot of us came out of the Humphrey-Hawkins bill background, you know, big government, big (inaudible). And what Bill Brock said was, at the time he did his analysis, that because of demography, population, we would have enough work for everybody in this nation if they had the training.

MIKULSKI: I really strongly recommend that you go back to the Brock report and perhaps do a Brock-Chao II, because I think we need an inventory of kind of where we are in terms of work force needs in this country and then really have strategic goals and plans for achieving them. It was an excellent report. It was a nonpartisan report. And I think it's a document we could all work from. So I commend this to you.

I'm concerned about shortages, not only in computer technology and systems analysis, but in the trades. You know, I truly believe that I could get President Bush on the phone today, if I needed to, but I don't know if I could get a plumber or an electrician. And it might be harder to get an appointment to see them.

(LAUGHTER)

And it's really not a laughing -- but because we so emphasize college, we've also got a...

CHAO: You're absolutely right.

MIKULSKI: ... shortage in machinists. I've go to my high-tech places and there's fabrication; shortages in nurses, lab technicians; in the field of gerontology. But I get bits and pieces. And I think if we had from the Department of Labor kind of this inventory document, later in the year and so on, that we could all be working from, I think it would help us focus on it. So I commend that to your attention.

Second, I'd like to come back to the skill shortage area, just as we've talked about trades, et cetera. Have you thought about the kinds of partnerships, because the Department of Labor cannot do this alone.

CHAO: Right.

MIKULSKI: And it would be a flawed effort. Do you have thoughts on how you would pursue this -- job training, tech training?

CHAO: I think there are so many opportunities for the Department of Labor to partner with other groups, to partner with other departments, to partner with other agencies in the executive branch, and also to partner with nonprofit organizations, for example, and also the private sector. And I think the key is to be innovative and to reach out to hitherto uninvolved groups.

And I hope that during my tenure, because of my experience in all three sectors -- the public, the private and the nonprofit -- and with my contacts and connections, that I'll be able to reach out and draw upon those groups, as well.

MIKULSKI: Well, if I could, I'd like to offer some suggestions. And I'm so glad to just hear your framework.

First of all, I think it requires creativity, working on lessons learned. Picking up even what Mr. Enzi said about, Let's not make anybody the enemy, poverty is the enemy.

CHAO: Right.

MIKULSKI: Poverty's the enemy.

And I would commend a couple of things to your attention. Number one, take a look at the community colleges, echoing what Senator Gregg said. They are the gateway. And often for people who are intimidated about higher ed, through certificate programs that lead to degrees.

I know steel workers that in order to keep their job had to take certificate at the Baltimore County Community College, but it was a certificate here, a certificate there. Many of these men and some women are eligible for community college degrees now. These are the gateways.

The other, the community centers. You come from a very strong Asian-American community. As you know, ethnic heritage groups often live in same communities. Community centers, where adults could learn by day, kids could have structured after-school activities.

And last, veterans.

MIKULSKI: That's (inaudible). Yes, veteran's health care is such burgeoning, we forget job training.

One last story, because I want to make sure -- Senator Collins has a question, has an opportunity before we go to vote.

SBA, fantastic opportunity. One last cameo story. I got a special purpose grant -- that's called a line item in HUD -- to go to Wheaton, Maryland, because we have over 1,000 small

businesses, primarily from immigrant communities, many learning language for the first time. But I created a small business tech center. They were being ripped off in web site design. They were being ripped off by people saying -- they were really being gouged, because they didn't have access to technology and didn't learn how to use it. We are focusing on this. And this is empowering.

First of all, it stops fraud against them. But because they can't afford to buy a computer, take the time to learn how to use the computer, and so, by having the community center right where they are, they're coming in almost 24-hours-7 to have access to technology and learn how to use it. This is kind of the partnerships I'm talking about. And I'm so enthusiastic about working with you on this.

CHAO: Thank you very much.

MIKULSKI: I didn't mean to give a speech.

CHAO: No, I appreciate that actually.

MIKULSKI: Your framework is kind of along the lines we're talking about. Is this in alignment with your...

CHAO: Absolutely. I think there has to be innovative ways to approach education. Educational institutions themselves are under pressure to respond to the changing workplace in a very different way. Distance learning, for example. All these certificate programs that you mentioned. There are now lots and lots of different ways to train people. And schools and the nonprofit organizations, for-profit organizations within the private sector are all going to have to work together. And I think it's a real exciting time.

MIKULSKI: And I do hope you take a look at the Brock report and see how we could do...

CHAO: In fact, the secretary and I missed each other, in fact, right before the meeting here. So it has been my intent to give him a call and we are going to discuss this.

JEFFORDS: We have a sort of a messy situation, because there's two votes. First, I'd like to ask you, would you like a break?

CHAO: I will do whatever the committee would like.

(LAUGHTER)

JEFFORDS: Well, let's put it this way, I'll give you a break.

CHAO: OK.

JEFFORDS: So we'll take a 10-minute break. And then Senator Enzi will take over until I get back. And I'm going over there and get back as fast as I can.

CHAO: Great. Thank you.

(RECESS)

ENZI: We'll call the committee back to order. Senator Jeffords will be casting the second vote and then he'll be returning to chair this, as will other members of the committee.

WARNER: Are there two votes or one?

ENZI: There are two votes.

WARNER: Is it to two now?

ENZI: Yes.

And this is still the first vote.

WARNER: Well, when did they shift? They didn't.

ENZI: I'm not sure when they did. It came as a surprise to just about all of us here so...

WARNER: Thank you for that.

ENZI: So we'll go ahead with your questions and then you and I can do a second vote.

WARNER: Thank you very much. I welcome this opportunity.

I've been privileged to represent the Commonwealth of Virginia for 23 years now in the United States Senate. And with a little luck, I'll be hanging in for awhile. But throughout that period, I have had, I think, very even-handed and fair treatment from the unions. I think my bottom line is unions are essential -- absolutely essential to achieve a balance between certain segments of workers and the private sector and other interests that are important to those workers, whether it's health care or many other interests.

But from time to time, any organization, I think, fall onto programs which concern me. And you have undoubtedly followed the vigorous debate for several years in the campaign finance arena primarily about the automatic or mandatory or however it's properly addressed check-off of the dues, whereby union workers are required to have their paychecks deducted before they even get the check for dues that go in for purposes for the union leaders to make decisions as to which candidate to support and not support.

This troubles me just fundamentally that an individual, who otherwise might wish to give their sum of money to politics, are lacking the ability to exercise discretion over the manner in which those funds are spent. They could be desirous of doing their political contribution to say, the school boards or the local city council as opposed to congressional races and so forth.

What is the history of this to the best of your knowledge? And what actions have been taken by any of your predecessors to examine this policy simply from the standpoint of fairness and equity to an individual's right to decide for themselves how to spend their own funds which they've earned and to which they're entitled?

CHAO: Senator, I think that's an excellent question in which you obviously are concerned. I probably would not be the best person to give you a historical perspective, seeing that I haven't even set foot on the Department of Labor building yet.

However, I will say this: All of my jobs in the for-profit, non-profit and the public sector, an overriding philosophy is that disclosure is always a good thing. And insofar as we can disclose whatever activities an organization is doing or any entity is doing, I think each member will become that much more empowered and that much more knowledgeable. And so it's a worthwhile goal to ensure that there's full and adequate disclosure.

And on issue that you've just raised, that clearly would be the position that certain people would want to take. And I know they could be very controversial, but again, I just can't...

WARNER: We will be addressing the important subject of campaign finance reform. This will come up. Whether or not Congress will try to strike some balance in this area, such that a worker has a measure of discretion, I know not. You have this one law case, whereby they can opt out, but that puts them in a very tenuous position with regard to the other workers and a lot of peer pressure and so forth. So we'll look at it.

But I wondered if you would at least commit to say that you will examine what is the authority within the framework of laws that you are enforcing, or indeed maybe an initiative to Congress from your department to help this situation in the event Congress does not come to some resolution of this issue in the course of the campaign finance reform measure. I just think it's only fair to the workers to do that.

CHAO: Again, as secretary of labor, should I be confirmed, I will always be concerned about equipping workers in an empowered and modern workplace that they can make their own decisions.

WARNER: Good. Well, that's...

CHAO: And to that extent, disclosure, I think, would be a...

WARNER: ... very reassuring and I think as much as you can state at this point in time.

Second question relates to the high-tech industry. We're fortunate, in the Commonwealth of Virginia, to have, depending on what evaluation you make, one of the largest, maybe the fastest growing in Northern Virginia and other parts of our state. We welcome it.

And I wasn't able to read the banner on your newspaper there, but the Washington Post and other people here and published it every weekend, I've used it many times in speeches.

CHAO: That's exactly what it is. Yes, just a high-tech listing of jobs.

WARNER: I've used it many times in speeches.

But as hard as I and others have worked on this issue, we've not come into any program that is significantly benefiting workers so that they can begin to prepare for this.

It comes down to the fact that in America, regrettably, very few young people want to take on the arduous educational course involving science and technology. And I happen to come up through the engineering side of life, not a professional engineer, but majored in mathematics and physics and things like that, because I had a natural bent and was quite interested in it. But look at any statistic worldwide, we're at the lower level in terms of our educational structure to help provide to meet this requirement in the job market.

Now, you could work with the secretary of education. Let me give you an example, and I'm going to touch on hallowed ground, where I get in trouble every time, but I'm going to go ahead and do it.

The Pell grant program, billions, billions of taxpayers dollars. Fine program, but should we not, maybe build in some incentives in this enormous sum of money that goes out every year to try and encourage those receiving Pell grants to begin to prepare themselves for this job market? Because it gets down to the taxpayers' dollar, which we, the Congress, then take from them and taxation, turn it right around and put it out in a Pell grant. And it's to the interest of this country to maintain our position in this one world global economy, a stronger position in the high-tech world. So I would hope that you would look at that and talk to the secretary of education and see what you can do.

CHAO: Again, I have emphasized on many occasions, and especially my visits with members, that it's really important to reinforce and strengthen this critical link between Department of Education and the Department of Labor. Clearly, when you talk about the inadequate preparation of our young people today in the sciences and in math in particular, which are the foundations of any career in high-tech world, it is of concern.

And there are a whole host of other issues. You know, why is this developing. There are issues of young people where it's not cool to learn, I mean, there's a whole host of other issues involved which the Education Department needs to address, as well.

But, clearly, the Labor Department and the labor force is impacted by the quality of workers that are, quote-unquote, "delivered" to the workplace at age 21, 22, 18, 19. So the two departments do need to work very closely together. And, again, I'm all for that.

WARNER: Let me go to a third subject. You once served as chairman of the Federal Maritime Administration. And I've had a modest association with the sea in my lifetime, working in the Navy Department as secretary and now on the Armed Service Committee these 23 years.

I've watched our Merchant Marine go from the largest in the world. I mean, it's the end of World War II, tens of thousands of ships proudly flying the American flag all over the world. And, again, I'm not pointing fingers at the unions, but slowly this thing has gotten down to where it's just a few hundred ships, at most.

CHAO: How I view...

WARNER: The Jones Act, you've got a whole framework of laws, which you're very familiar with. And I think and I represent a state which proudly has a number of facilities which serve today's Merchant Marine.

I'd like to see more American flags afloat. I'd like to see America strengthen its Merchant Marines. I guarantee our entire concept of defense, except now for a growing need of homeland defense, is predicated on forward deployment, projecting beyond the shores of this nation our military to deter war or if necessary to join with our allies in bringing peace and freedom to other countries.

This surface transportation is absolutely essential -- absolutely essential to our national defense. And I would hope that I could work with you and seeing what we could do, and indeed the unions and the industry, to be reinvigorating the magnificence of our once proud heritage in the Merchant Marines.

Is this an area in which I can hopefully work with you and stimulate a little?

CHAO: Absolutely, Senator. We have worked in the past on Maritime issues. And you know that I am a very, very strong proponent of the Merchant Marine. And, clearly, in the Gulf War of 1991, we saw how important and viable and robust American Merchant Marine meant to national security, because they were the ships that brought the logistical supplies and troops to the Middle East. So I'm very, very cognizant of the need for a strong Merchant Marine and one that clearly supports our national security.

I think the problem is very difficult, because of the cost disparities that now exist between construction of these ships, as well as manning levels.

CHAO: The "marketplace," quote/unquote, if not very hospitable, and the issue is how do we work with labor people in this sector to ensure that there are adequate seagoing jobs, because there are a lot of shoreside jobs, but seagoing jobs; and also are we encouraging young people to go into a field that has adequate opportunities for them? There are five tremendous academies, King's Point and the state maritime academies, that are doing a wonderful job in turning out seafarers.

WARNER: And once they're turned out, there are no jobs.

CHAO: And so we need to work with...

WARNER: What a concept. Here's a starving need in the high-tech industry, too few. Here we have the taxpayers educating men and women to assume the wonderful, historical career at sea, and no ships on which to go.

CHAO: This is a larger issue about national security, but certainly I look forward to working with the Department of Transportation, the maritime academies, King's Point, addressing these issues.

WARNER: Well, I'm going to some initiatives.

CHAO: I look forward to working with you.

WARNER: It's just so important that labor be a part of it. Labor take the lead, if necessary.

I thank you and wish you luck. And you have my support.

CHAO: Thank you.

JEFFORDS: Senator Wellstone?

WELLSTONE: Thank you, Mr. Chairman.

And I'll say to Senator Warner, another marriage that's ready to take place, and you mentioned this earlier, is you've got the communication technology industry looking for skilled workers and you've got people in rural communities that have a great work ethic -- and this ought to be put together -- who can telework; who can do it from their homes; who can do it from a satellite office if we have the infrastructure. And I appreciate your commitment to that.

Let me ask some direct questions, if I could, Ms. Chao.

One is, on the ergonomic standard, I think the National Academy of Science report was very important, because we kept hearing if the science is there, and this report says, "Look, there's a direct connection between workplace practices and ergonomic injuries and as a matter of fact, there is also conclusive evidence that the interventions in the workplace can play a large role in reducing these debilitating injuries or illnesses."

As secretary of labor, would you attempt or support any attempt to stay or rescind -- I mean, the regulations are on the books -- or otherwise modify this ergonomics regulation?

CHAO: I can't answer that question right now, because I'm not there yet. And I think that, again, this is a very, very complicated issue. The final rule was issued on January 16. It took years to get the final rule out. And now it's in litigation already.

So I think one of my first responsibilities is to make sure that I understand this issue, and that I understand the viewpoints of all sides, the pros and the cons. And I will commit to you that I will study this issue very carefully and I will make a very informed choice.

WELLSTONE: Well, listen, I don't have any doubt about your good faith in answering that part of the question. My question is, this regulation has been promulgated. Can you make the commitment to enforce this regulation right now, until there's evidence otherwise? I mean, it's the law of the land.

CHAO: I don't know. I don't know what the prerogatives of the secretary of labor is, so I can't answer that.

WELLSTONE: I mentioned when you dropped by my interest in coal dust regulation and what MSHA has done. I couldn't believe it. I know that Eastern Kentucky is near and dear to your heart and to Senator McConnell's heart. I just couldn't believe it when I drove my wife drove my wife, Sally, that way, and I met with people, and all of the reports of not being able to see six inches in front of them -- and MSHA's worked long and hard, and now we have a regulation which is at OMB which basically says, there's too much evidence of, basically, cheating -- I don't know any other way to say it -- by the companies. It shouldn't be the companies that do this regulation, but rather MSHA would come in and independently do it.

And I guess my question for you is whether or not you would be committed to making sure that this regulation goes through. It's so important to the health and safety of the miners. I just feel so strongly about this when you want to prevent black lung disease. And a lot of work's gone into this.

CHAO: I think the two rules that you mentioned were just issued in the last few weeks or so. So again, as part of my responsibilities, going in as the new secretary of labor, I would expect that I would review them carefully and try to understand them as to the full ramifications before coming to any further.

I will say this, though. I do understand that the black lung trust fund is \$7 billion in debt, and I'm very concerned about that. Because if this fund is supposed to help people who are in need of these resources, then potentially its insolvency will, obviously, fall short of its obligations.

CHAO: And so I'm going to be very concerned about that. And that I will also look very carefully at.

WELLSTONE: Well, I appreciate the second part of your answer, but what I'm trying to get at is, how is it that we make sure that people in the first place aren't having to struggle with black lung disease and don't need the help in the first place?

And you're absolutely right, I mean, a lot of work went into this. A lot of sweat and tears went into the regulation. And at the very end, OMB couldn't go through.

But my question is, whether or not you, as secretary of labor, would do everything you can to see that the regulation is enacted. I mean, it's coal dust levels. We know what the problem is. We know something needs to be done. You've got this regulation, it's key to health and safety of workers, in this particular case, miners. And I'm trying to ask you, as a future secretary of labor, whether or not you would do everything you could to see that this regulation would be enacted. That's really my question.

CHAO: I think in concept I care deeply about this regulation, and I'm concerned about the plight of coal miners.

I have to say also to you, I don't know exactly what this regulation does. And so before I enact it, I would have to understand what it does. And I will commit to you that I will study it very carefully.

JEFFORDS: OK.

Senator Hutchinson?

HUTCHINSON: Thank you, Mr. Chairman.

Ms. Chao, there will be a number of legislative issues that I will look forward to discussing with you and corresponding with you about, and this is probably not the day to get into a long discussion. We don't have time to get into a long discussion on them.

But the ergonomics issue, which has come up repeatedly, I think the NAS study was helpful. The question is not now and hasn't really been whether we do something, it's how we do it. And as you pointed out, it's in the courts already. So this issue may well need to be addressed again.

Senator Enzi had lengthy hearings pointing out problems in the approach that has been taken on the ergonomics issue. And so I look forward on that issue.

Salting is an issue -- salting abuse is an issue that I have been concerned about. The blacklisting rule which was finalized January 19, which, in my opinion, really, under that rule, mandates that the federal government discriminate in the awarding of contracts, discriminating against non-union contractors. That also I suspect will be in legislation.

And the area of OSHA reform -- and Senator Enzi has led the fight in the Senate to improve OSHA and to modernize OSHA. And that's going to be a recurring issue.

But this afternoon, I would just like to focus for a moment upon the department itself. Millions of Americans at least, and certainly all of us on this committee were shocked last year when the word came out that OSHA was looking at regulating the home workplace. And, of course, there was a quick retreat on that. And Senator Enzi and myself had some meetings on how that came about.

And I think the General Accounting Office, in their annual report on major management challenges and program risks at the Department of Labor, kind of hit the nail on the head. They talked about decentralization and how that has intensified the department's coordination challenge, the lack of policy management by the department and the multitude of individualized policy shops located in each agency.

So it would appear that the department's Office of Policy doesn't have the level of control over the agencies that it used to, and that I think it should. Would you address that management issue?

CHAO: Senator, you're not the first one that has brought that to my attention. Apparently in past administrations, the assistant secretary for policy was a centralized place and it was a clearance for all policy issues. And since that time, I think in the last seven or eight years, there's apparently been a decentralization of the office. There has been enough concerns expressed on this issue that I realize that it's an issue that I've got to address, at least examine and look at when I get in, and I will do so.

HUTCHINSON: I appreciate that. I think in that initial review, this is something that certainly deserves scrutiny, and I appreciate your assurance that you'll be doing that.

The other issue that I just wanted to mention briefly is that we talked earlier about the Patients' Bill of Rights and the difficulty we've had in arriving at one. One of the issues that was on the conference committee -- one of the issues that we addressed was the Association Health Plan issue, the AHPs, which I strongly support. I've introduced legislation in the past, will be introducing legislation, to allow small businesses, which do not have the buying power of our great retailer in Arkansas, Wal-Mart, and many of the other retailers that have large health plans, but small businesses that could work together and operate under ERISA, assuming that we then will have patient protections under the ERISA, will really, I think, attack the problem of the increasing numbers of uninsured.

And I appreciated, during the campaign, President Bush's support of that concept. And I hope that, as we move forward with legislation on that, we can work together to insure that a lot of these small businesses will be able to bring down the premiums and provide better health care for their employees.

CHAO: I know that this is an issue that you've been very concerned about and you've championed, so I will certainly be very mindful of it.

HUTCHINSON: I thank you, and I think that's all I need to bring up. I appreciate the very candid answers you've given today. And we look forward to having an ally for American workers again in the Department of Labor.

CHAO: Thank you.

JEFFORDS: Thank you, Senator.

Senator Clinton?

CLINTON: Thank you, Mr. Chairman, and I apologize for having to leave to cast the votes. And I'm sorry to have missed any of the conversation.

I just wanted to touch on a few issues that are of concern to me. One is that our emphasis on the need for skilled workers is very timely, and I look forward to working with you on that.

But I'm also concerned about the shortage of workers in certain professions that there's an increasing demand for, such as nursing homes, home health aids, other kinds of service professions where we're having a very difficult time recruiting and keeping such people. I think there's both a skills issue and a wage issue that the market will respond to, but I think there has to be some attention paid to that in terms of incentives for moving that along, especially with the increased aging of the population.

Secondly, I think it's also very important that we make decisions based on good information. And I look forward to talking with Senator Gregg about his comments about the Family and Medical Leave Act, which in my experience are really not borne out based on the evidence of the analyses that have been done about the Family and Medical Leave Act.

So I think there has to be some meeting of the minds about what evidentiary basis we used to make any kind of policy decisions on. And the Family and Medical Leave Act is of particular concern to many millions of Americans, and you've had that addressed to you from several different vantage points.

But I do want to emphasize the larger issue that's raised about making policy based on good information. And I'll look forward to talking with you and Senator Gregg about that further.

I want to turn now to pensions, which falls under your responsibility. And I know certainly in New York there has been a great deal of concern about companies changing to cash balance plans or attempting to change to cash balance plans, which is a move away from rewarding workers for longevity, which is really what the contract that these original workers thought they were buying into at the time they started employment with a lot of these companies.

And I think that it's important that, although the new economy is here and globalization is changing the way we work, it hasn't really penetrated into many of the work sectors in our economy, and there are many people who have planned their retirement and have really made a very strong commitment to a company based on the pension plan.

And I know that pension law is governed by federal statute. And I would be interested in your views about how you ensure that employees who start off under one system and work for decades, often, are given a fair chance to have some voice in any corporate decision that might undermine or eliminate their pension rights.

CHAO: Well, the secretary of labor, obviously, has responsibility for ensuring the financial stability of the American working man and woman as well.

The issue that you raise is an enormously complicated one. I am sure you are much, much versed in it than many, many others in this room, because of your past experience and work in this area.

I'm very sympathetic, obviously, to ensuring that workers who have put in a tremendous amount of dedication and commitment to their employers not be forsaken and that their past labors not be forgotten.

On the other hand, there is also the very difficult issue of companies who are faced with increasingly hefty and burdensome pension benefits that over time they're unable to bear, to the point where many of these companies are suffering financial consequences.

So there must be some way in which we, as a creative nation, can work on this issue and take care of the financial security of our increasing seniors and also make sure the companies are not bankrupted either.

I don't have the solution to this, but clearly it's a concern of yours. I will certainly be mindful of that. And I hope that we can work together on it, because it's a very important issue, especially with the aging of our population as well.

CLINTON: And I think your point about being creative is a good one. We need to look for ways that balance the needs that you outlined. And I would very much like to work with you on that.

There's been a lot of questions to you about work force development. I'm particularly interested in finding ways that we can really target programs and encourage communities to make the assessment of their own educational and training capacity, working with business and labor and the educational communities, using the regional skills alliances model, which I think has proven successful in a number of areas that I have reviewed.

And then continuing what has been started, which are a lot of the school-to-work programs, because a lot of our young people need the kind of support and direction that these programs provide. We have a grant, for example, up in Rochester that is giving externships

to many of the high school students there. And I think it's important to take a good look at what has been working, because the school-to-work partnerships sunset this year.

So I would like, again, to work with you and to have you pay particular attention to what we've learned from this experience, what has worked well. I'm a strong believer in continuing what works and discontinuing what doesn't work, and being flexible and creative and creating the kind of opportunities that will provide the, sort of, skills development that the work force needs. And so I would very much like to have your feedback on that once you get into the department and figure out what's going on.

I wanted to finally just raise some issues concerning the federal contract compliance program, which, as you know, really is founded on the proposition that our government should not send funds to anyone, anywhere, that support illegal discrimination against women and minorities. And this program requires contractors to pledge not to discriminate, and requires them also to adopt affirmative action plans with goals and timetables for ensuring equal opportunity. It does not require quotas, which I'm opposed to, it does not in any way permit or promote the hiring of unqualified personnel.

But ever since it's been in place, since the Nixon administration added the goals and timetables requirement, there has been steady progress in a lot of the areas of the economy that traditionally were closed to women and minorities, the so-called nontraditional areas that are now much more integrated.

And I would hope that we could continue to, you know, use the clout of the federal government in its contracting capacity to urge people to think more broadly about who is hireable and promotable. And I wanted to ask if you would support the vigorous enforcement of the contract compliance program.

JEFFORDS: Senator, I hate to interrupt, but we have one member who hasn't voted yet, and your time has expired.

Senator Collins?

COLLINS: Thank you, Mr. Chairman.

Ms. Chao, I am only going to be able to touch on a few issues very quickly, in order to go vote.

COLLINS: I do want to follow up on the point made by Senator Enzi about the burden of well-intentioned but very complex and complicated and lengthy regulations on our small businesses. And I want to do so by giving you an example of a true case in the state of Maine that I think really defied common sense.

Last summer, a small restaurant in Damariscotta, Maine, was fined \$8,400 by the Department of Labor for allowing a teenaged-worker to use a standard Kitchen Aid mixer to whip up a soft cheese mix. Now, here's where it gets complicated. The small businessman contacted my office and asked us to look into this. Well, as we started going through the regulations and talking with the Department of Labor, we discovered that teenagers were allowed to use this exact mixer if they were whipping up cream, egg whites or icing. It was silent on the issue of soft cheeses.

(LAUGHTER)

It also said you weren't allowed to use this mixer to do heavy bread doughs. Now, how in the world was this small business, this small restaurant, this mom and pop operation in Damariscotta, Maine, supposed to figure out that whipping out egg whites and cream was fine, but mixing up this soft cheese mix was not?

Now, I want to give credit to the Department of Labor, because upon further discussions with the officials, they agreed to rescind the fine and to close the case. But I wanted you to be

aware of this case, because I can't think of a better example of an unfair burden on a small business owner who is doing everything possible to try to comply with the law, but was really faced with a regulation that was just impossible to understand what was allowed and what was covered.

So I would hope that you consider reviewing regulations like that and working, as you have pledged to do, not only with SBA, but with the small business community so we can avoid these kinds of really absurd situations in the future.

CHAO: I think all of us care about physical security and safety of workers. And I don't think any one of us would say that we're not in support of that.

Obviously, the Department of Labor has a humongous responsibility in enforcing the many regulations that it is responsible. The Department of Labor supposedly is one of the largest regulators in the federal government. And I would hope that every single employee in the Department of Labor understands the gravity of that responsibility and will work to ensure the safety and security of workers, but also work to ensure that there's common sense in regulations involved, as well.

COLLINS: Well, again, I do want to salute the department's employees for ultimately exercising that common sense. But the fact that this regulation existed in the way that it did, again, well- intentioned, but clearly defied common sense in its execution; it's a real problem.

The second issues I just want to touch on quickly is my concern about the trade adjustment assistance programs, which will need to be reauthorized at the end of this fiscal year. One of the most difficult experiences that I have had as a United States senator, was meeting with displaced shoe workers in my state, who had spent their entire lives working in factories doing a great job with excellent craftsmanship, turning out shoes only to find that they were going to lose their jobs because of a flood of cheap imports.

Trade adjustment assistance has been absolutely essential in assisting these individuals, not only with extended unemployment assistance, but more important with new training and new skills. I have to tell you, it's still very difficult, if you've worked in a small town in Maine at the shoe factory your whole life and you're in your early 50s and your health isn't very good, to be told all of a sudden you've got to learn a whole new career or move to a new town, it's very difficult.

But these programs are essential and I hope you will pledge to work with us to support them, to strengthen them and improve them to make sure that we are attentive to the needs of those displaced workers in this new economy.

CHAO: I certainly will be.

COLLINS: And finally, I do want to just let you know of my interest and support for the Job Corps program. We are fortunate to have two Job Corps sites in Maine that do an excellent job in Bangor and in Northern Maine. And I would invite you to visit those sites, once you get settled into your new job.

CHAO: I look forward to that.

COLLINS: Thank you very much.

Thank you, Mr. Chairman.

JEFFORDS: Senator Sessions?

SESSIONS: Thank you, Mr. Chairman.

Maybe Senator Clinton didn't get to finish. I'm sure you can't see that little light, it's awfully subdued there. If you need to finish your question, I'd yield to you.

CLINTON: That's so kind of you, Senator.

I just wanted to ask Ms. Chao to respond to a question about enforcing the contract compliance program, including its affirmative action component, with goals and timetables. If you had an opinion on that, at this point.

CHAO: I think, clearly, we are against discrimination of any sort, and I will enforce the law as it is enacted.

But it is interesting, from what little I understand about this topic, apparently, a lot of the federal acquisition controlling office -- and I can't remember what the proper name is -- they've been very concerned about how to apply this law, because the amount of regulations that impinge upon federal contracting is so lengthy and voluminous that the contracting officer's concern about whose role is it to try to see whether one contractor has abided by all the regulations. So I think there is a concern there as to how that can be done.

But if you want to know the standards, it's applied applicable to the federal acquisition process are not set by the Department of Labor. And they're the sole responsibility of the FAR council. And Secretary Herman herself has said that it's up to the agencies that comprise this council to set those standards. But there are set, obviously, we will enforce them.

CLINTON: Thank you, Senator Sessions.

SESSIONS: Ms. Chao, on the size of this agency, 17,000 employees and \$40 billion in expenditures, I would urge that you really apply some tough management decisions, the total quality management vision, identifying what the goal is, in trying to do so with the least possible expense. And I believe if that's done, there could be some savings in Labor that could be used for other programs that are worthwhile and even allowing some of the American people to keep a little more of their money. I would urge you to make that a priority.

I think, also, one of your goals will need to be how you can further flexibility in the work force. A lot of businesses feel hampered by wage and hour laws that haven't really changed since the Depression and it complicates their lives.

For example, federal employees could volunteer to work Saturday if they had a child that needed to be in school Monday and they could get credit for working Saturday and they could take off Monday. And that's not available for most businesses under present wage and hour laws. You think we could make some progress in that regard?

CHAO: You're talking about compensatory time off, which I think is a very important issue.

SESSIONS: I was just saying no federal worker that I know would want to give that right up. They see that as a worker benefit, not a burden of the federal government on them.

CHAO: I know how strongly organized labor feel about this, as well. And right now we have a bifurcated work force. If you work in the government, you can have compensatory time off. But if you have a household with one person working for the federal government and the other one working for the private sector, there is a dichotomy; the one in the federal sector can have comp time and flexible hours and the one in the private sector cannot.

This, obviously, was the subject of a great deal of discussion in the last Congress.

CHAO: It's going to come up again and even in terms of the Family and Medical Leave Act, in terms of allowing parents to take time off for adoptions. I mean, all of these are all issues that will be discussed.

And I can assure everyone on both sides that I'm going to be a real good listener in all of this, and I want to work with both sides and hopefully find a field of commonality that we can all agree upon.

SESSIONS: And to follow up on Senator Enzi's leadership on OSHA, I would suggest, first of all, that he really has studied this to an extraordinary degree, and you would find Senator Enzi a valuable resource on OSHA questions.

I would note that we've had a hearing involving a Mr. Ron Hayes (ph) near Mobile, Alabama, my home town, who lost a son in an industrial accident. He has become a national expert and spokesman for safety in the workplace. And I think I can sum up his passionate concern, and it is this, that Labor Department officials have lost sight of their ultimate goal and are more, maybe, focused on moving the paper work from place A to place B and not actually going out into the workplace in a cooperative way to work with businesses and industry to identify what might be dangerous practices and improve them.

I would urge you to think about how you can make OSHA an aider, a facilitator for improved workplace safety rather than somebody who comes in after an accident and starts assessing blame. It will have to do that, I'm sure. But if you can avoid the accident, that's preferable.

CHAO: I think that's a very good suggestion. OSHA needs to take more care with helping companies in the preventive side. And I would hope that we would do that under my tenure.

SESSIONS: And finally, on job training, it has great potential, but the constant demand -- and this is just constant -- is to make sure that training that's being given to a young person or a person who is seeking a second employment, that that training is relevant to what's available in the community for them to work.

And in some instances, I believe, training might be better in partnership with the very industry itself because perhaps they only have a certain type of equipment. And the job training center cannot train them on that equipment. Some sort of subsidy that would encourage them to take unemployed and to train them for precisely the job they will be doing and give them a job would be a good direction for us to move.

CHAO: I appreciate that advice.

SESSIONS: Thank you, Mr. Chairman.

JEFFORDS: Thank you, Senator.

Senator Kennedy?

KENNEDY: Thank you, Mr. Chairman.

I want to just mention something about the OSHA. I'm a very strong believer in it, and no one excuses the kinds of examples that we are given today. But listen to these figures: During the Reagan administration, there was a systematic weakening of OSHA under the banner of regulatory reform, and OSHA regulations were rolled back, enforcement weakened to the point of being meaningless, programs to train and educate workers were cut, and workers and union rights guaranteed by law were virtually ignored.

Rather than focus on protecting workers, the agency instead focused on accommodating businesses through weakening regulation and easing up on enforcement. Budget and personnel were also cut. Dedicated staff were pressured into leaving. The cumulative result was a significant increase in workplace injuries and illnesses: The injury rate increasing from 7.6 per 100 in 1983 to 8.9 per 100 in 1992.

Now, during the Clinton administration, where Charles Jeffress, who, I think, is just an extraordinary leader and has done really an outstanding job on OSHA. The foundation of OSHA programs was enforced, standard-setting, supplemented and balanced by compliance assistance, consultation, outreach, training and education. During this period, there was significant reduction in injury rates, with injury rates falling from 8.3 in '93 to 6.3 per 100 in '99, the lowest OSHA in 30 years of history.

KENNEDY: So, this doesn't lend itself to simple, easy answers. H.L. Mencken said that. "For complicated issues, there's a simple, easy answer, and it's wrong."

And we don't want to have a lot of simple, easy answers here today. This is a complex issue, but when there is vigorous enforcement and Charles Jeffress has done an outstanding job. If you had a few extra moments, I would suggest spending some time. Enormously --- he had an incredible record in North Carolina. He had strong bipartisan support when he came up here initially. I think he's done an outstanding job, but it is incredibly important, as you understand.

Now, going along quickly, on the Office of Contract Compliance, let me just mention this if I could, Ms. Chao. Between '94 and '98, the Office of Contract Compliance -- it's a general question, so you don't, I'm not trying to flyspeck you on this -- the Office of Contract Compliance recovered more than \$175 million in total financial settlements for victims of discrimination. In '93 and '94, conducted 53 glass ceiling reviews, covering 29 different industries and 1.4 million workers.

Eighty percent of those reviews incurred serious problems on glass ceiling issues. From just eight of those reviews, obtained \$1.4 million in remedy to pay discrimination, and discriminations in promotions for women in our society. Fiscal year '99, conducted 3,800 compliance reviews.

So the enforcement actions really must continue and I think must be strengthened. And I just want to ask -- repeat the question of Senator Clinton whether we have assurances from you whether this is going to -- it's been in effect now for 35 years, and whether we're going to have, will you commit to continued enforcement and strengthening this.

CHAO: I think from what I understand of the Office of Federal Contract Compliance Program, once the employer's awarded a contract, enforcing will occur. There's no question about that.

KENNEDY: But in terms of the program itself that's in effect, your response is that you support that program.

CHAO: I do. I am concerned, however, that there are contracting officers who are in the job of trying to make sure that all the compliance is in place and they are expressing some concern. And I want to listen to them as well.

KENNEDY: If there are individuals, but I would think if there's going to be changes, in light of what you mentioned earlier about willing to deal with all the stakeholders, we're a stakeholders in this. This committee is, as well. We would definitely wanted to be alerted on that.

CHAO: I would certainly be willing. Yes, absolutely.

KENNEDY: Let me mention another area quickly, again. On overtime and family hours, as I mentioned quickly before, particularly in lower income workers, are working considerably more -- 416 hours in the last 20 years more today. And, in many instances they don't have -- we have these examples where the -- I'd just finish with this if I could, Mr. Chairman -- we've had examples particularly in hospitals. But there are many examples; we had in our own state of Massachusetts, St. Vincent's Nursing Hospital, where nurses were working 20 straight hours often with a few moments' notice, disrupting their family lives and threatening their ability to provide the care on forced overtime.

We had that example that we received a lot of national attention. Brent Churchill, a 30-year old powerline man in Maine died on the job accident where he went two and a half days on five hours of sleep. Workers should have some control over these overtime issues.

We had the most recent study was a Department of Labor study of the poultry processing survey which uncovered overtime violations in 100 percent of the companies surveyed. And I hope you will give this issue of mandatory overtime, required overtime, abuses in these

overtime, give this some attention in the department, because it's having this impact on people's lives that is enormously health threatening in instances, and in particularly in the health area, it's adverse in terms of the patients themselves. And people in our own economy ought to have a greater control over their lives.

My time is up.

CHAO: Thank you.

JEFFORDS: Well, thank you very much.

And that concludes our hearing. Under the rules, however, members may put questions in writing within a reasonable time and they will be looked at and answered to.

KENNEDY: If I could I would ask the disposition of the chair in considering when we might vote on the nomination, however?

JEFFORDS: As soon as possible. And I'll have to let you know. We haven't made a specific determination of exactly when that will happen.

KENNEDY: I think you have to gather that it's going to be a very positive, favorable and we'll certainly try to expedite it.

JEFFORDS: There are no further questions, but I also would like to thank you for your testimony, Ms. Chao.

CHAO: Thank you very much, Senator.

If I could just end with this, these are very, very tough issues. And I think we all care passionately about these issues, and if I can pledge this committee that I will work very hard, again, to find common ground and I will listen very carefully. Thank you.

JEFFORDS: Well, thank you again. You've been a fantastic witness and we deeply appreciate your willingness to serve and I'm sure that we will be expediting your confirmation as soon as possible.

CHAO: Thank you very much.

KENNEDY: Thanks, Chairman, thank you.

END

"World News Tonight," ABC News, 1/29/2001

President Bush makes a lot of news in the beginning of his second week in office. He said today he was troubled by the former President Clinton's pardon of Marc Rich, the fugitive billionaire who was wanted for financial crimes. He said he won't try to revoke the pardon, saying it was within Mr. Clinton's power to do so. Mr. Clinton, obviously, thought it was fine. Senator Clinton doesn't want to talk about it. ABC's Linda Douglass is with us this evening. Today the senator tried to give her first news conference and couldn't stay on message.

LINDA DOUGLASS reporting:

That's right. Peter. She tried to come out and talk about how she's going to vote against President Bush's nominees for attorney general and for interior secretary. But she just could not keep the focus away from herself.

Unidentified Man: Senator, do you have any plans right now?

DOUGLASS: (VO) The New York press pelted her with questions about the Clintons' controversial final days in the White House--their acceptance of lavish gifts and Mr. Clinton's

last-minute pardon of several felons. Senator Clinton tried to dismiss it all as so much ancient history.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): The White House years, the administration of my husband are over, and I'm going to be focused solely on the job that I can do to help New York.

DOUGLASS: (VO) She was grilled about her husband's last-minute pardon of fugitive billionaire Marc Rich, which has enraged US prosecutors, including former prosecutor, now New York mayor, Rudy Giuliani.

Sen. **CLINTON**: That is something that I don't have an opinion on one way or the other.

DOUGLASS: (VO) Marc Rich's ex-wife contributed a million dollars to the Democratic Party and gave the Clintons themselves \$ 7,000 worth of furniture. Senator Clinton brushed aside criticism about the \$ 200,000 in gifts they took from the White House.

Sen. **CLINTON**: We complied with everything that presidents and their families are expected to comply with, and, you know, there really isn't anything to add to that.

DOUGLASS: (VO) Clinton seemed determined to be charming, welcoming questions about her hair, which looks less coiffed since she left the White House.

Unidentified Woman: Basically, you had a different look. I mean, it was more up and glamorous and now it seems that you look more...

Sen. **CLINTON**: So now it's more down and not glamorous? Oh, dear.

DOUGLASS: But even her Democratic allies, Peter, are saying that her last days in the White House are getting her first days as a senator off to a bad start.

JENNINGS: Thanks very much, Linda Douglass on Capitol Hill this evening.

U.S. SENATOR PETE DOMENICI (R-NM) HOLDS HEARING REGARDING ECONOMIC SECTORS, 1/30/2000

MURRAY: Senator Clinton?

CLINTON: Thank you, and I wanted to thank the chairman for having a panel like this and the future panels that are planned, including a panel on coal, Senator Byrd, because I do think it is extremely helpful in forming our decisions when it comes to the budget issues we face.

You know, I must say listening -- and I'm sorry we haven't heard from the fourth panelist in the time that I've been here about agricultural issues yet -- but listening to the three whom we have heard from, raises for me the giant caution light about projections on the economy and the impact of the policies that this body's going to consider.

As I understand, Mr. Glassman -- and I'm sorry I missed his testimony, but I've quickly looked at the written version of it -- his view about the extraordinary power of monetary policy to keep the ship of state afloat is an optimistic -- and I would question, but an optimistic view of monetary policy on its own. And then, as Senator Nelson pointed out, the disparity between our two witnesses, Mr. Simmons and Dr. Penner, are such that I think that it's appropriate for us to wonder how we best make these projections. And, of course, we're going to hear from the CBO tomorrow, which are coming forward with projections, as I understand it, about \$5.7 trillion surplus, which, of course, depends upon continued economic activity, perhaps somewhat slowed down but certainly still growing at about a 3 percent rate, which I think is, again, optimistic given the circumstances we find ourselves in.

The colloquy between Mr. Simmons and Dr. Penner was particularly of interest to me, because I do believe that if we have a capacity in infrastructure challenge, leaving it to the private market totally is a very long-term solution, and long term we don't know what the impact will be. And yet I'm very concerned about any significant governmental intervention and investment. But is there some role for policy and for government incentives, subsidies, credits, whatever might help speed the market response?

Senator Byrd's reference to clean coal, you know, it's always struck me as rather unfortunate that we didn't make even greater investments in helping the market respond to clean coal demands. We have still a lot of power plants that were grandfathered in and need help if they're ever going to economically be able to produce clean energy by using coal, which we had in abundance.

So could both of you just talk -- short of the direct investment in building rigs and some of the other ideas that Mr. Simmons had, could you perhaps find some medium ground for us to look at in terms of creating incentives or subsidies that would help to accelerate the market? That's the first thing.

The second thing is that I don't see energy as just any other commodity. To me, energy is an underlying necessary condition of the economy. And I have a problem, frankly, seeing it as office space. I don't think it is office space. I think it is a precondition. And this move toward deregulation, which is going to have, as we've already experienced, a lot of bumps on the road, is going to leave certain regions of our country out of the adequate supply of energy. I don't see any way around it, because some people are going to be more attractive than other people are. The grid is not going to be able to respond immediately to all of the peak needs.

One of the hallmarks of the American economy in the 20th century was that we moved toward full energy availability and reliability. That's what we did. So you went to a foreign country and you could roll your eyes because the lights went off for three hours and the water didn't run, and you said, "Well, thank goodness we don't face those problems."

I don't think Americans are really looking down the road to the time when if you live in certain parts of this country, you're not going to be able to take a shower or to run your lights on a continuing basis. That, to me, is not a very good prospect for the long-term economic growth that we're being told about in terms of the 10-year projections over this decade.

So if I could have Mr. Simmons and Dr. Penner just quickly respond to those points.

SIMMONS: Senator Clinton, I agree 1000 percent with where you're coming from. I have described from -- when you spend 30 years passionately studying an area, I guess you always get attached to it. But I don't think there's anything that comes close to energy. I don't know what number two would be. I've described it so often as industrial oxygen.

(UNKNOWN): Food, kind of, counts, doesn't it?

(LAUGHTER)

SIMMONS: Well, let me actually highlight the difference, because we know that a human body can go without food for a long period of time and just be uncomfortable, and I think that's the relation -- industrial oxygen, without energy, you actually don't need anything else because things stop.

It defies me to find a sector of the economy that can grow significantly without increasing energy. I think we, as a society, pretended for the last two or three years that this new economy somehow wasn't using energy, and in fact it was gobbling up kilowatts at a rate next to the invention of the light bulb and the car. If you can't expand energy capacity for a decade, I don't think we can basically expand the economy.

Now I also think that if we get on with this "Energy Marshall Plan" and we spend the trillions of dollars we have to spend to recreate the prosperity future for America and the world, we also can't sink into a deep recession, because that amount of spending is a self-correcting thing. It's just basically going to correct in some areas we didn't have on our drawing board as we started the first decade of the 21st century.

FOX-PENNER: Well, Senator -- excuse me?

DOMENICI: No, go ahead. I was just saying the light's not red yet; it's just yellow.

FOX-PENNER: Thank you, Mr. Chairman.

Senator, I too agree with your sentiment. I have heard many people during the course of electric deregulation debates say, well -- in fact it was said in California, and it's one of the drivers for it, that people would stand up and say, "Gee, I can buy competitively any product in the whole state, but I can only buy electricity from one firm, and isn't that awful?" And that was one of the drivers for it.

I could not agree with you more that electricity is probably the single most important commodity, not just for our economy but for safety and security in our neighborhoods, in our homes. It's life itself to people who are on respirators. And it's for that reason that I think the people who say that electric deregulation or energy deregulation in general must be complete, and the problems in California is that they didn't do complete enough deregulation, are wrong. This is foreshadowing my testimony tomorrow at the Energy Committee, which I will get you a copy of.

We do believe in reliance on markets in, I would say, both sides of the aisle in this body, very strongly. But you have to temper that reliance with wise policies and wise investments. I think that what's going on in California is unacceptable, and it's for that reason that we can't just go whole hog more towards greater deregulation. We have to recognize that reliance on the market will create some shortages periodically if we don't put in rules and policies and careful investments.

Now, you asked us to try and illustrate the kinds of things the federal government can do, and I think there are a number of them. Many of them are on the policy side. The Federal Energy Regulatory Commission sets policies that absolutely determine how deregulated markets work, and they have to be done very carefully. And we are experimenting with it, and we have to be very careful with those experiments, because when it goes off the rails you see what happens with California.

We need particular investments in special areas, rather than these broad-scale investments, and let me just illustrate one. Mr. Simmons mentioned that there's a shortage of trained people in the oil and gas production sector. We have seen that in sectors all around the country during periods of shortage and periods of shifts. One of the things we've learned is that training programs can work, and one of the things that government should look very strongly at is taking difficult to employ people who need jobs and getting them trained to go help on these rigs. Good heavens, if we need more skilled rig people, there's nothing better than to create jobs where there's a need for jobs doing these sorts of things.

So if you look carefully, you see that government has fiscal levers and policy levers that can really accelerate us getting through this bottleneck but not in a way that's a full-scale federal investment program.

CLINTON: Thank you.

DOMENICI: I wanted to ask the senators that are still here what their intentions are. Senator Byrd, do you need another round of questions?

BYRD: I'd like a brief round...

DOMENICI: All right.

BYRD: ... dealing with agriculture.

DOMENICI: Senator Nelson, are you finished with your questioning?

NELSON: I've got just a couple of quick statements.

DOMENICI: OK.

NELSON: Then I've got to get out of here to a luncheon.

DOMENICI: OK.

Senator Clinton?

CLINTON: Same with me, Mr. Chairman.

DOMENICI: You have to get out of here for what?

CLINTON: A luncheon, so just a few quick statements.

DOMENICI: Sure. You don't have to tell me where you're going.

(LAUGHTER)

I shouldn't even ask.

Senator Byrd, would you mind if, since Senator Nelson just wants to make a statement, if he proceed and then you and I can stay and take another five, 10 minutes?

BYRD: No.

DOMENICI: Senator Nelson, would you proceed, please?

NELSON: Well, I would be the worse for that not to have the privilege of listening to Senator Byrd.

DOMENICI: OK.

NELSON: But I would say that I wanted to commend the gentleman for bringing up synth fuels, clean coal technology, all of these things, as we face an energy shortage we're going to have to face. And if we're looking at this long term, over the next 50 to 75 years, ultimately we're going to have to look to radically new technologies. And one that would blow your mind is the mining of helium3 on the surface of the moon and bringing it back through fusion, which has no byproduct of radioactivity; way out kind of things.

NELSON: And I would just say, in closing, Mr. Chairman, that I appreciate what each of you has said. I agree with you that I think we're going into an energy crisis. You've stated certain reasons. I have seen other reasons in that part of the world where there is that little extraordinary thing called a military choke point, called the 19-mile wide Strait of Hormuz. And with all of what's facing us with regard to terrorism in the future, that is certainly a point of attack which would disrupt all of those oil supplies coming out of the Persian Gulf, which would only exacerbate the energy potential crisis through shortage.

So thank you, Mr. Chairman.

DOMENICI: Thank you, Senator.

Senator Clinton, did you want to make a further comment?

CLINTON: Well, actually, I'd wait for Senator Byrd, Mr. Chairman.

DOMENICI: OK. But in waiting for Senator Byrd, you're all going to have to wait for me, and then you can hear him.

BYRD: I would suggest that the distinguished senator from New York proceed. I'd like to hear her, and I know she has a luncheon.

DOMENICI: Senator from New York?

CLINTON: Thank you, Mr. Chairman.

I want to switch gears for just a minute to agriculture, because I do think that it is a close call between food and energy. And I don't want to do without either.

So let me just ask Dr. Young, Dr. Young I didn't have the benefit of hearing your testimony, and so I apologize for that. But I am, frankly, concerned about the issue of food security for our country. I am concerned that, just as we have exported the production of many other goods, which are not essential to life, we are beginning to lose agricultural base. And I have three related questions that I would appreciate your responses to.

The first is that, under a lot of the trade agreements that have been negotiated, we have not really dealt with agriculture, for the obvious reasons that other countries subsidize their agricultural sector and are not willing to give up either that food production or the accompanying, sort of, real life quality issues that go along with it.

But it is clear to me that within at least NAFTA there was supposed to be some agreement that we would move agriculture toward a level playing field, particularly between the United States and Canada. I'm concerned about our northern border more than I am our southern border, because of New York's geographic location. Yet the farmers in New York tell me on a constant basis that they are fighting hidden subsidies, that Canada subsidizes transportation costs, energy costs, health care costs, so that, in effect, our agricultural sector is at a distinct disadvantage, and I would appreciate your response to that.

Secondly, one of the big issues in New York are our dairy farmers. You know, New York is the third largest dairy producing state in the country, and we are under tremendous pressures, because we don't have the advantages of a dairy compact like the New England states do, and we're losing a lot of our dairy farms, and I don't know whether there are any solutions to that. Obviously, I will try to fight again this year to get New York into the New England compact, because I think it's to the benefit of the East Coast to have one of the three major dairy producing states on this coast. But are there any other steps that could be taken with respect to dairy?

And then, thirdly, I want to link the energy and agricultural questions, because I know that dairy farmers and other large farming operations are heavy-intensive energy users. And trying again to think of ways that we can both help our farmers afford more energy conservation, alternative energy sources and certainly be able to pay the bills for what is happening now that they can't afford, are there any other steps that we could take or look at trying to support that would give agriculture more leeway when it comes to these increasing energy prices?

YOUNG: Let me take these in order. First, I would say that agriculture was very much a part of the last Uruguay -- or the Uruguay Round. We imposed a number of constraints on what other countries could do with respect to their export subsidies, also imposed some rules, if you will, with respect to how people could provide domestic support for their policies. And I would say that clearly the sore thumb that sticks out in all these different member countries would certainly be the European Union and the support that they provide there. And that was the main focus of our efforts with respect to limiting export subsidies.

I would say that Europe, I think, has learned this lesson very well and with the policy reform that they implemented, called Agenda 2000, not surprisingly in early 2000, they are significantly reducing the price support levels that they provide to their producers within the European Union. At the same time they're doing that, they are increasing their direct payments to their producers so that they end up with a policy -- a set of policies, if you will, that not necessarily look all that different than our own, but they're just willing to put a lot more money on the table to provide that support.

I would also say that, by following the rules, Europe is actually probably going to be in a position where they can export their wheat, which is their main commodity that -- well, a number of their commodities tend to get export subsidies, but that's one that tends to get some of the most attention. But they'll be able to export their wheat without the use of export subsidies probably sometime over the course of the next two to three years; tell me exactly what happens to exchange rates and things of that nature, and we could tell you some exact years.

And that will then free them from those constraints, and we would expect to see a significant increase in wheat exports coming out of Europe, following all the rules associated with this last trade round. That's going to be a real issue that I think we're going to have to deal as a country as we rewrite our current farm law over the course of the next year or two.

With respect to New York dairy, this is a real problem that basically all the states in the country are facing. We're certainly losing a number of farmers in Missouri -- dairy farmers in Missouri as well, for a variety of different reasons. We've also got significant structural differences in dairy production in New York just as one moves across the state. We tend to have smaller dairy operations in the upstate New York. As you move over to the west, we tend to have larger dairy operations as well.

Don't forget that what a lot of these individual dairy farmers are having to face or having to compete with are folks that are deciding they want to move out of the urban landscape, move out into the rural countryside, acquire some land, build their 40-acre estate and, kind of, go from there. And it's very difficult for those dairy producers to ever think that they're going to generate enough money to pay on a per acre basis what folks coming out of town are going to be able to pay. And that's a real problem that we're going to face regardless of where we happen to be.

I don't know that I can come up with a magic bullet. Andrea Novakovic (ph), other folks, Dr. Stephenson, as well, at Cornell, are folks that look at this issue on a daily basis, and I'd certainly listen to their advice and counsel on that very quickly. I'd also say that I don't know that they have a magic bullet either for this problem.

Finally, with respect to the energy and ag questions, we do have, and have tried in the past, a number of different ways to try to get renewable fuels included in a variety of our energy sources, our energy supplies, also as ways to clean up some of the fuel and to reduce some of our emissions. One particular demand or product that has received some attention, but not as much as some others, would be, say, soy diesel, and that would be an area where you can significantly reduce some of the emissions coming out of the diesel as well as providing you with some additional supplies.

I have no misperceptions that I don't think we're going to be able to look to United States agriculture to supply all of our energy needs at this stage of the game. There's just too big a demand for what the supply can provide there. But it is, again, an area that we can continue to investigate, continue to try to reduce some of the production costs on converting the corn and soybean products, et cetera into fuels. But they do also carry some very significant environmental benefits.

CLINTON: Thank you.

DOMENICI: Thank you very much. Let me, from my standpoint, finish my discussion and questions.

First, could we -- so we'll clear up the record, Dr. Young, I asked my staff to tell me, for the current fiscal year -- and I understand fiscal year and crop years are not identical -- but for the current fiscal year, I asked what the level of government assistance would be. The answer was \$30 billion. Does that sound about right to you?

YOUNG: That sounds about right, if one includes all the different assistance packages that were passed over and above what were in the farm bill.

DOMENICI: OK. Now, the net farm income this year, if I got it right, is about, what, \$46 billion?

YOUNG: For 2000, it should come in about \$46 billion; yes, sir.

DOMENICI: Now, does this suggest that something is a little bit out of kilter when the federal government provides this level of subsidy, or whatever you call it, and we still have horror stories about the desperate farmers and ranchers?

YOUNG: Well, again, I think it would probably be a mistake to think that we can just directly subtract direct government payments from that net farm income number and say that what would be left over would be the market-generated revenues. We certainly have some production decisions that are based on government policies that are being provided, so I think you'd end up with a different kind of farm income number than would be suggested by just a sheer subtraction.

Having said that, however, those direct government payments do very definitely make a very strong contribution to the bottom line of a number of producers.

DOMENICI: All right.

Senator Byrd, I want to comment on clean coal and its use, and I also want to comment for a minute on nuclear energy. I would hope before we were finished, Senator Byrd, as we look to the future, that while I would support with all of my abilities the use of clean coal and find the bottlenecks and find out which regulations and which activists have caused us not to use it and then not say we're going to use it but ask the question, did we make a mistake? Have we made a mistake with reference to the rules and regulations that apply to the use of clean coal just because we are overly concerned about one aspect of our health condition versus others?

I believe we will find that policy decisions have been made not on the basis of America having shortages, because nobody believed it, but rather on the singular basis of how clean must clean coal be to be clean enough to be burned. And, frankly, I know a little bit about it. I know the Clean Air Act permitted some real discretion. I think most of the time activists who wanted to have us produce less prevailed.

Not only in clean coal. I'm aware of a policy decision made with natural gas on the way to California where two gigantic pipelines moved in, and of course there were some who didn't like them from the beginning. But as they got closer to California, one preceded the other. And so what happened, an argument ensued as to whether the second should proceed or whether it should fold itself into the first one. And, of course, those who wanted less growth, less energy won. And so there's a giant bottleneck where more natural gas comes in than the pipe that finally delivers it can carry.

Now, I frankly believe if somebody looks at it, and that's not this committee's job, maybe the administration and this task force will find more policy decisions of that type that are overly restrictive because the only policy considered was environmental and not energy needs. And I hope that when we do that we will look at nuclear power. And I hope -- I know you have not been an advocate, but I believe the United States of America must be able to tell the world we want more nations to get rich. I don't see any other way. If we're going to spread what we want to spread, we've got to tell the poor countries, "There's really something in it for you, and that means you can grow and prosper, and you can have more money in your pockets to spend."

And as a matter of fact, if we don't decide to use some natural -- or excuse me, some clean coal in large quantities and send it to the world by way of technology, and if we don't proceed in this great technical nation to reevaluate nuclear power, I don't know whether any of you experts know this but South Africa is preparing with the help of a whole bunch of countries, including ours, to build a totally new concept of a nuclear power plant. It is passive so it could not melt down. So that argument is gone. It produces far less waste, and

it's small and modular so it can be put in with 100 megawatts and if everything's OK, you can add 100. Now, thank God, at the last minute the United States got involved, and we're really grateful that the Nuclear Regulatory Commission said, "If it'll help them, we'll get involved."

But you know, while Japan still builds nuclear power plants, the United States, three years ago, had no nuclear research in its Energy Department. And the sign said, "Energy Department USA," and could you imagine -- I'll say four years ago, because that's when we started funding nuclear in that department -- if you walked in, there was a sign, "Nuclear power prohibited." Now, for any great nation that wants to tell the world, "You're going to be rich like us if you follow democracy and some semblance of capitalism," we cannot ourselves send a wrong signal.

And, frankly, I believe it is policy decisions over the last 10 to 12 years that put us in this mess. Policy decisions by whom? By every level of politics. The state of California -- if we had somebody here today and said, "Read the statute that created deregulation in California," we would not have to be from California to ask questions about why it won't work. I mean putting deregulation in one aspect and no regulation on the other and the unregulated was needed by the regulated. And so they come into contact in terms of price.

DOMENICI: They didn't build a new power plant; now they have 20 -- 19 sites, they say, but not a power plant has been built for how long in California? I don't know. Pretty long. Fifteen years. How does that strike you? I mean somebody's making the wrong policy.

Now, if they would like the surrounding states to supply them with energy, then maybe that's what they should have told them, and maybe we should have been busy as a nation, saying, "Since California doesn't want any power plants," which I would never sit for as a policy-maker, "then we've got to provide it from someplace, because it's one-sixth" -- we understand that California is the like the sixth country in the world in terms of GDP all by itself. I mean it takes about 20 of our states to equal California if you go through the Rocky Mountains and the other, I think, in GDP. Maybe it's 15.

So I am convinced that you all are talking about the right problem. And those of you who are talking about it being a big problem, you are right. And those of you who are saying, "The government ought to get involved," you are right. Except the government ought to get involved in analyzing all its policies to see whether or not this enormous supply that we have of technology and development on the nuclear side, if we just find a waste repository, which incidentally I'm saying for the record is not even an issue in highly developed countries what you do temporarily with waste.

You want to go walk on the waste of Europe, go to France and go walk in a gymnasium where their high-level waste is right under you. You walk on it, and you look at it, and you say, "Well, that can't be. I mean where's the high-level waste?" And they say, "It doesn't even heat the surface. You're walking on it." And they think that's pretty good. They'll keep it there for 50 years while they find out how to do it permanently.

Now, can you imagine the United States of America, 2001, we're still fooling around with it stored at every plant up and down this country, and we're wondering what to do about it. There's no problem what we've got to do about it. It's a political issue.

So I would say to all those interested, I am for the government being involved, but I'm not for the government doing the business of producing energy. I'm saying the government ought to decide where are the bottlenecks, are they justified? Do they take into consideration America's need for prosperity and growth or are they based on other criteria that are absent that? In which event we better start changing.

Senator Byrd, I am totally convinced we will not use clean coal in the United States until policies are changed. And I voted with you on the advanced funding that you put in for

clean coal. I thought for a while, "Why should he do that for coal when we can't do it for other things?" but I do understand. It's very expensive. Thing is all the investment's been made, all the breakthroughs have been made, but policies don't let them even use those kind of power plants that are better.

So, to me, the issue is the White House, with its task force, and if they would just analyze and send to us a series of things that they are changing and that we could change, we'll see America use clean coal, and we'll see the world start using it. And all this business that it can't be used because of the future well-being of the world, I believe those can be solved if we just decide that energy is important, important in every one of those decisions people are making with reference to the environment, with reference to conservation on public domain.

I have had a natural gas expert come into my office, Senator Byrd. One of the most successful and powerful and knows what he's talking about sat in front of me and said, "If you will change some rules about how we can get on the public domain and make sure we're going to leave it good when we finish, we can increase the natural gas supply in a short period of time" -- short period might mean six, seven years, eight years -- "we can increase it 100 trillion cubic feet." We use 22 trillion a year. That's a pretty good addition.

Now, there's been some discussion about money and rigs. How many do we have that can punch the Earth and bring out natural gas and crude oil? I think all of you that are experts should analyze why is not enough money going into oil patch in new rigs, even with the high prices. And you have to tell the truth. The reason is because those who put the money to do it know that what went up in that field will come down. So they can't invest at \$15 if two years from now it comes down to \$8. So the investment atmosphere is very different in that field than it is in most areas for the United States.

Yet if you talk about trying to make it better by creating some kind of a long-term investment approach -- I have a bill that I did that's much like Fannie Mae, interestingly enough. It would finance itself, but it would put money into the field to drill -- people say, "Why do you want to put the government in this for? Those companies have all the money in the world." But then go count the number of rigs, go count the investments that's going in to produce more rigs, and you'll find, until there is some assurance that it won't drop down so low that their investment is not sustained -- and I think that's what tax policy ought to be written on. It ought to be written on a trigger basis where when the price goes to a certain level then it's triggered in. When it stays at a high level, the tax consequences are different.

I know that's way too long a sermon, but I think maybe some people will know that some of us understand a little bit about this issue, and that we can't sit by when America's in this kind of crisis and just decide we're going to leave things alone. We can't do that. Thank you very much.

Senator Byrd?

BYRD: Thank you, Mr. Chairman. I'll be very brief, so I'll just read. I'll just read the question. Each of the last calendar years -- is this working? Can you hear me all right?

DOMENICI: Yes.

BYRD: All right. In each of the three last calendar years, the Appropriations Committee, on which I serve and on which Senator Domenici serves -- the Appropriations Committee has found itself scrambling to provide emergency assistance to farmers when natural disasters such as droughts, hurricanes or floods strike. We do so in supplemental appropriation bills, generally, under the guise that these emergencies are unforeseen and unpredictable, which is in many ways they are. The fact of the matter is that we could contemplate that such emergencies might happen based on weather conditions, reporting, et cetera. The long-term drought forecast give us plenty of warning, but in the past we've chosen instead to cover our eyes and pretend that we could not see ahead.

In West Virginia, for example, the drought of 1999 was devastating to our agricultural economy. In my state, as you know, is not the home to large mega-farms. We have small- and medium-size farms that have been owned by families for generations. But because drought recovery assistance was delayed, many of these farms went under. Entire cattle herds had to be sold off just to pay the bills. Families that had been in the farming business for generations had to board up their farms, their barns and walk away from their farming traditions. Delays in federal emergency assistance leave rural communities and farmers wondering if the security net established to assist them will come in time.

This doesn't have to be the case. Following the 1999 drought, I'll work with Agriculture Secretary Glickman and also the distinguished senator from Mississippi, Thad Cochran, and others to create a contingency fund of \$450 million, so as to expedite federal assistance should another disaster materialize. If drought struck, this contingency fund that we created would be in place so that assistance could be immediately infused to address sudden agricultural emergencies.

My initiative was really an ounce of prevention. It set aside funding to be made available only if a drought occurred but as soon as the disaster is declared. Secretary of Agriculture Glickman agreed that such a plan would be helpful in addressing drought more rapidly and ultimately in reducing losses.

Now I think of those lines by Oliver Goldsmith, because I'm thinking of how the small farms are vanishing from the landscape. Same thing happened in the latter days of the Roman Republic. The peasants left the land. Senators and others bought up the farms, and the peasants gravitated into the cities to join the mobs that asked for bread, wine and theater. They wanted entertainment.

You see that very same thing is happening in America today. People want to be entertained. Journalism no more is, it seems to me, is not -- its prime focus is not to bring to the people the news but to entertain the American people.

And I could go on quite a long time in this vein, but in a way it's pertinent here. We're losing our small farms.

Dr. Young, given the possibility that our farmers will experience some natural disaster in the coming years, do you think it makes sense to take a renewed look at the way we budget for disasters? While no one can control the powers of nature, Congress certainly can prepare to deal with the consequences of natural disasters. Shouldn't we be budgeting in advance for unexpected costs that may happen in the future and that will be undoubtedly happen at some point in the future without any question?

YOUNG: Senator, I think, as Congress, in the last two or three years, we've made a number of attempts to try to reform the Crop Insurance program. I strongly suspect that we have not, as of yet, written the last crop insurance reform bill. I think we'll probably write a number of crop insurance reform bills as time goes on.

This last round provided a pretty large level of support for producers who were willing to buy up some fairly high levels of coverage, i.e., they only have to lose 15, 20 percent of their crop before payments would begin to kick in, things of that nature. That's a fund that's already there; the producers can go receive the monies for it and proceed fairly quickly.

Also don't forget that the Commodity Credit Corporation Act charter also provides the secretary with a fairly broad amount of discretion as to how he or she may decide they want to try to operate some of these programs.

But don't forget, too, that I mean there's just a lot of details that one has to work through once a disaster occurs in order to understand what the current set of laws are that have been provided or assistance packages that have been provided that the department then has to work through before they can actually ask for claims from producers and then

actually get the payments redistributed back out to them. And there's just a lot of time involved there.

That's not to say that having a contingency fund in place that we know is there, that has some reasonable rules set around it, that we can have the regulations then already written won't speed the process. That would speed the process. And certainly as producers face these challenges, as they lose these crops or whatever, an ability to go some place to get some cash in a hurry can quite often make the difference between whether they're there next year or not.

BYRD: Thank you.

Thank you, Mr. Chairman.

DOMENICI: Thank you very much.

Thank you, all four of you. I hope you enjoyed your appearance here today. We certainly thank you very much for it. It's very helpful.

We stand in recess.

END

U.S. SENATOR PETE DOMENICI (D-NM) HOLDS HEARING REGARDING THE ECONOMIC OUTLOOK, 1/31/2001

Senator Clinton, you are next.

CLINTON: Thank you, Mr. Chairman.

Mr. Anderson, I appreciate greatly the chapter in the outlook on uncertainty. I commend you for adding that since it's stating the obvious, I think, but it's important to have it. I don't know though that CBO and economists should be the only ones admitting uncertainty. I think if one goes back and looks at the fiscal decisions made in this body and the reactions to them going back over 20 years, there's certainly enough room for all of us to see that uncertainty plays a very large role.

I think back to the 1981 tax cuts, when the administration at that time said that the budget would be balanced in one year. And then in 1982, the administration said it would take three years. Then after Gramm-Rudman-Hollings was passed, the projections were five years. And yet, during the '81 to '93 period, we quadrupled the debt of this nation, and ended up with very large deficits.

And then in '93, I remember very well there were those who said the '93 economic plan would lead to recession, high levels of unemployment, deficits and economic stagnation.

So I think that it's only fair for those of us on this side of the table to point out that uncertainty comes in many forms. And I think that should make us all a little humbler than we perhaps tend to be in looking at what our future projections might be, and how those projections can be used.

You know, I may just be terribly old-fashioned, but it seems to me that these surpluses give us opportunities to deal with a lot of our long-term problems that face us as a nation. Not only the obvious ones about the entitlements that are going to have to be dealt with at our economic and social peril. But also, we do have needs in health care, education, aging infrastructures. I think that, as I heard yesterday from that table, from some energy

experts, we have some energy issues that have to be dealt with, as well as defense and other important matters.

And I appreciate greatly your response to Senator Byrd's question about a prudent mechanism, because what I would be interested in -- and we don't have time, I certainly don't have time remaining in my questions. I'd be interested in some ideas from those of you who are budget experts about what such a mechanism would look like, how we could develop a glide path -- which has entered the jargon now -- that would lead to a soft landing 10 years out, and take care of our pressing social and national needs, and perhaps even looking at some of the states.

CLINTON: We heard a number of other senators refer to their experience in state governments. I think we ought to be creative about what it is we're faced with in the next 10 years, and have enough of a cushion so that we don't engage in a miscalculation that will be entered into in full good faith but, nevertheless, would have unintended consequences of rather significant economic dimensions, leading us back into deficits.

So I guess to that point, let me ask if you could, just give me some ideas about what such a reserve process or mechanism could look like, and any other thoughts you would have on how we could guard against the uncertainty, both from the CBO and from those of us who have to make the policies.

ANDERSON: Rainy day funds, which are frequently found in state governments, you don't see in the federal government. It's really a different nature. But there are ways, and they're relatively simple to describe, to basically create a reserve. The way you do it is to have a greater surplus, or in the cases of deficits, a lesser deficit. A prudent fiscal policy or a set of prudent fiscal policies that look at debt reduction and created a greater surplus than another set of policies would help provide a reserve, if at some time in the future the projections or other estimates turn out not to be correct.

There is a question that I tried to raise in my testimony concerning, once the redeemable debt has been paid down, then there will be the situation that at least since 1836 we've really never faced before, and that is whether the federal government ought to be investing in private assets. That's a different question.

CLINTON: It is a different question.

ANDERSON: That gets into a much -- as Chairman Greenspan I think...

CLINTON: And I think we've conflated those two. I mean, I think that people have drawn from what Chairman Greenspan said when he talked about asset accumulation and the dangers that could flow from the government owning private assets when you reach this irreducible debt minimum, that there wasn't therefore any room for a reserve. And I don't think that -- those are two different issues to me. Is that correct?

ANDERSON: I agree. I do think that one of the things that doesn't work, if I can talk about that, is promises by the Congress and the president in putting into legislation saying, "Oh, we've set this aside. We promise we'll never, ever, ever spend this again." Those promises are sometimes valuable, but sometimes not. Future congresses and future presidents can say, "Oh, I know that was made, and we respected at the time," but because legislation can be enacted to change that type of thing, I'm generally less enthusiastic about promises not to spend the money again.

So generally, if one wants to set aside reserves, I think the better way to do it than to stack a pile of money over in the corner is basically to run higher surpluses and pay down the debt more.

DOMENICI: Senator, did you have another question?

CLINTON: No, thank you.

DOMENICI: Next is the chairman of the Finance Committee. We're glad to have you on board, Mr. Chairman.

GRASSLEY: I'm glad to be on board for the full 21 years I've been in the Senate, on this committee. It's a very important committee.

(CROSSTALK)

GRASSLEY: I've got three questions.

GRASSLEY: They are more technical than they are policy. But I've had a chance to listen to several speeches, most of them from the other side of the aisle, that urge caution, and there's nothing wrong in government with urging caution, so I don't find fault with the caution being urged.

But there is -- whether you're in public policy or whether you're an individual making such a decision to expend money or invest money -- an individual has just as much difficulty looking down the road 20 years to pay off a house mortgage or 30 years to pay off a house mortgage as we do guessing what the future is going to be. But you try to make the best judgments you can about those decisions, and you go ahead and try to be prudent and make those. And so we're in the same position here.

But the caution I hear is that the glass is kind of half full -- or half empty instead of half full. And the caution that I hear today is that we ought to be careful about letting people expend their own money, as opposed to we politicians deciding how to spend it. And a philosophy that may be running more of the people's resources through the federal government, a higher share of the GNP through the federal government, is really better than the marketplace making that decision.

And all of this caution seems to me to be coming up now at a time when we're talking about fairly dramatic tax reductions. Even at the lower end of tax reductions now, which is the Democrat figure, it's still two or three times higher than it was just six months ago or at the higher end. But we're talking about very significant tax reductions at either end. And in the final analysis, we're being urged to take caution into consideration, when I don't hear that same caution, you know, last fall, when we increased expenditures 11.9 percent, this year over last year.

And if we had these last three years level of expenditures, if they continued on in the future, I've seen some charts that indicate that we'd be spending a \$0.50 trillion dollars more than even the tax cuts we're talking about. So I hope that we will hear a consistency on these points of view about caution, not only on the tax side, but even more so on the expenditure side. Because there is one thing, Congress can increase taxes, but once you get a level of expenditure up, you never get it down, very seldom do you get it down.

Now, let me go to some very technical questions. Although the budget surplus will exceed \$0.5 and \$0.6 trillion over the next 10 years, the government will only be able to repay \$0.2 and \$0.3 trillion in federal debt held by the public. Now, according to your testimony, this difference is due to the fact that more than \$800 billion of debt is not available for redemption. Now, according to OMB, this figure is much higher at \$0.1 and \$0.2 trillion. How do you account for the difference between these two estimates, since people owning X-number of dollars of 30-year bonds is so many people and so many dollars? It seems to me it's a pretty definite number.

ANDERSON: Well, first of all, the number changes every year. The number changes every year, particularly by the factor you just mentioned, Senator, that the amount of long-term bonds held by the public changes every year. Every year Treasury is still issuing some new long-term bonds, but there is also some being paid back. So our estimate of the amount of debt that there is available to be repaid actually changes every year.

It was just discussed earlier that the number goes from \$1.2 trillion down to -- \$1.2 trillion in 2006 down to \$800 billion in 2011. In fact, this...

GRASSLEY: My figures are from the year 2011. OMB, \$1.2 trillion, and CBO, \$0.8 trillion.

ANDERSON: There is also an assumption that we have for, with respect to the Treasury Department's proposed buyback program -- so far, they have utilized this program only to a very small extent, less than \$30 billion. I understand that OMB did not assume that the Treasury would continue this. We had been told by the Treasury that they would continue it.

ANDERSON: We had been told by the Treasury that they would continue it, therefore we had some modest amount of buybacks, I think to the tune of \$100 or \$200 billion or so.

There is also a lot of uncertainty with this set of numbers, as there is others. By that, I mean the amount of special nonmarketable issues for such things as savings bonds, state and local government issues, or other technical aspects Treasury does not make a specific projection of. Therefore, we had to do our independently at CBO. I don't know exactly how OMB did theirs.

GRASSLEY: OK. I'll dig into it and find out more, then, from OMB.

Now, CBO assumes that the portion of the surplus that is not used for debt reduction will be invested in unspecified assets. What legal authority does the government currently have to do this and how much leeway do they have investing in this asset or that asset?

ANDERSON: Generally, the Treasury does not have the legal authority to invest in any assets other than those guaranteed by the federal government. There was quite a debate within CBO, as I believe there has been within OMB, as to whether our baseline ought to illustrate that we have this excess cash or uncommitted funds invested in assets other than those federally guaranteed.

The one alternative to that would be to have presented a baseline to you that, once this unredeemed cash limit had been reached, to take all future amounts and split them 50-50 between spending increases and tax cuts. However, that had a connotation of CBO also making some kind of judgment, if only the judgment of 50-50.

So as the less of two evils, we decided to present the data that we have presented, even though we realize that under current law Treasury does not have the authority to do so.

GRASSLEY: If these assets are more certificates of deposit than in federally insured institutions, as opposed to buying John Deere stock or something of that nature, what's the impact of that political decision to do that on these financial institutions?

ANDERSON: One of the problems that I believe that Chairman Greenspan raised, that we believe also is a problem, is that if the federal government goes into the realm of asset acquisition, there is a selectivity problem. By a selectivity problem, I mean by choosing a specific set of assets the federal government, with the massive amounts of money that it is talking about, would be pouring in money into one set of assets at the expense or at the favoring another.

That could have an impact on federally insured certificates of deposit, giving them a ready source of cash that they would not otherwise had unless the federal government took that action. Chairman Greenspan said that the result of this action could be a lower rate of return than could be expected if the free market were allowed to work. I think that is one of the concerns that the Congress should need to address before taking such action, and there are many others.

DOMENICI: Senator Gramm?

GRAMM: Mr. Anderson, I note with some shock, in picking up the budget projection you picked out, that for some reason in the last six months that government spending has jumped by \$561 billion. Is that right?

ANDERSON: I believe that's correct.

GRAMM: Now, that's \$561 billion in the last six months that we have added to the spending baseline of this country. Isn't that right?

ANDERSON: That is correct.

GRAMM: So if we did the same thing for the next 18 months, we would have spent more than the Bush tax cut. Is that not right?

ANDERSON: That math works.

GRAMM: In fact, if we did the same thing for the next six years, we would have spent the entire surplus. Is that not right?

ANDERSON: Correct.

GRAMM: I wonder where was all this caution. Where was all the caution then? When we added in six months \$561 billion worth of new spending to the baseline of this country, where was this caution everybody's talking about? We're cautious when it comes to letting working people keep their money; we're not cautious when it comes to spending it.

Now, are you any more uncertain about the projections in this budget than you've ever been in any budget that you ever participated in making?

ANDERSON: No.

(CROSSTALK)

GRAMM: So in reality, that chart is no different than the charts that the Congressional Budget Office has put before this committee since the beginning of CBO, except where you have that dark shaded area they would normally put a dotted line, right?

ANDERSON: I believe that is a correct determination.

GRAMM: Now, given where that dark area is for 2002, we're talking about maybe 0.4. If I offered you a bet where you would say it'd be 0.4 and I'd say it'd be zero, and the person that was closest won, would you take that bet? Now, if you were a betting man. You're probably not a betting man.

ANDERSON: Not a betting man.

GRAMM: Your wife may be watching or your momma. But if you were a betting man...

ANDERSON: My children.

GRAMM: ... you'd take that bet, wouldn't you?

ANDERSON: No odds, right, Senator?

GRAMM: No odds.

ANDERSON: You got it.

GRAMM: Now, so what you're really saying is that, in the words of statisticians, the shading is actually a distribution curve, and what you're saying is that, based on your estimates, you estimate that there's a fairly high probability that the actual number will fall somewhere in that dark shaded area, but there is some very small probability that it will fall in the very light area or actually outside the shaded area. Is that not right?

ANDERSON: Exactly.

GRAMM: So when everybody's saying, "Well, you know, look at this chart, we're uncertain," we're uncertain about everything in life.

ANDERSON: I'd like to point out one other aspect to, I think, address what you're saying. That is that, as the description of this chart, we put this chart together on the five-year projections that CBO has made over the past 20 years. In our uncertainty chapter, we look at a set of economic and technical projections in a pessimistic scenario. It did not produce results like this; it produced significantly better than the worst results in this.

In other words, there is no -- that we know right now -- plausible economic and technical projections that could reach this line. That's not to say, however, given your introductory statements in particular, that Congress and the president couldn't come up with policy decisions that not only have surpluses declining into deficits of this level, but far beyond it. We are not really trying to make and we don't make forecasts or projections of what the policy actions...

GRAMM: Yes, getting down to that lightest shade would be like betting that Baylor University's going to win the national championship in football next year, or Rice. They may, but you wouldn't make a living betting on it every year.

Well, Mr. Chairman, the point I wanted to make was is, all this talk about uncertainty basically is misplaced because all that CBO has done is give a very clever visual representation of something that's always been there, it's just their chart-maker was not as clever in the past as they are in the present, and so they always put a dotted line, but no greater uncertainty than before and no higher probability that bad things would happen above the norm than there are that good things would happen below the norm.

You agree with that, don't you, Mr. Anderson?

ANDERSON: I agree.

GRAMM: Now, let me go back to your economic forecast. Am I not right that on your economic forecast you're consistently over the next 10 years at or below the blue-chip forecast for real GDP growth?

ANDERSON: That is correct.

GRAMM: So that the people who are out there who are making money by selling their projections are more optimistic or are taking a more optimistic position than you are, right?

ANDERSON: That is correct. And it is very important to us. When we do our economic assumptions, we talk to our panel of economic advisers and we compare our economic assumptions and follow very closely what other forecasters are doing. We are not out to lead the pack here.

GRAMM: Now, let me finally turn -- Senator Byrd mentioned, and I think Senator Clinton amplified it, the idea of a rainy day fund.

GRAMM: Now, had we set out in our budget the goal of not spending more than \$250 billion over the last six months, more than we were spending before in a 10-year projection, and we had set that out as a goal, or even if we had earmarked funds in this trust fund, so to speak, would that have had any impact on the spending of the \$561 billion we actually spent, unless there was some kind of mechanism to cut the excess spending?

ANDERSON: If we had spent only \$250 as opposed to \$561, that obviously would have increased our numbers from \$5.6.

GRAMM: But the point is, if we had set up a, quote, "lockbox" or a set aside fund or rainy day fund, if we spent the \$561 billion, you could claim money was in there, but the \$561 billion would have been spent." Right?

ANDERSON: I agree.

GRAMM: Well, Mr. Chairman, let me just sum up the points that I've tried to make here. First of all, in the last six months, we have added enough spending to fund over a third of the president's tax cut by CBO's estimates. That's in six months. And that's not assuming now that that spending is going to keep growing like it grew. You're assuming it's going to stop growing and simply expand at something like CPI, right?

ANDERSON: Most of that is discretionary and most of that is projected, assuming growth in CPI.

GRAMM: In fact, if it grew at the rate it has in the last three years, we'd probably be over \$1.8 trillion or something like that.

ANDERSON: Yes.

GRAMM: So the first point is that with our talk about being cautious, and I think we should always be cautious, the truth is we have not been cautious and we have added \$561 billion to permanent spending in six months, which is an extraordinary figure, seems to me.

Secondly, despite the new graph-maker, you're no more uncertain about these estimates than any estimates you've every done.

ANDERSON: I am as certain about these estimates as any estimates I've ever done.

GRAMM: And the closer you get to the midpoint of that little funnel, the more certain you are.

ANDERSON: Correct.

GRAMM: So that you wouldn't take an even bet that it was going to be way down at the edge as compared to in the middle?

ANDERSON: Definitely.

GRAMM: And finally, as we look at the overall picture of where we are, it seems to me that you've got -- well, I've run out of time, I'll stop.

DOMENICI: Do you want to finish?

GRAMM: Well, I'll just say there are two trends that are just obvious from your budget report. One, spending is growing very, very rapidly, when in six months you can add \$561 billion to spending. That's pretty substantial.

But secondly, in this period where the economy has been slowing down, remarkably enough, we've added another \$800 billion of revenues, which continues to say what a remarkable thing this economic expansion is.

DOMENICI: Thank you very much, Senator.

It's getting close to 1:00. We only have a few of us left. I wonder if we could agree on how much longer we're going to keep the witness. I want to have five minutes or less.

(CROSSTALK)

DOMENICI: Let me just state a situation that is personal to me. I've been on this committee since its inception. The rules make it such that I can stay on, but I won't be chairman pretty soon, which is a wonderful thing to happen with these kind of surpluses, a great, great achievement.

BYRD: Why is that? Why can't you stay on?

DOMENICI: We have Republican Senate rules.

(CROSSTALK)

BYRD: That's not a very good rule.

(LAUGHTER)

DOMENICI: Let me ask a few questions. There are some who are concerned about long-term estimating, but might I ask, when we talk about Social Security's problems in the future, aren't we estimating 10, 15, 20 and even 30 years out in order to arrive at conclusions with reference to it's insolvency or solvency?

ANDERSON: Yes, and even further than that.

DOMENICI: And even further than that.

And when everybody up here says, "Let's save Social Security and do these kind of things," we're relying upon those kind of estimates. Right?

ANDERSON: Correct.

DOMENICI: Now, we do the same for Medicare. It's not two years, three years, but it's a number of years. In fact, we know about insolvency right now for at least 10 years and we're using estimates. Right?

ANDERSON: Correct.

DOMENICI: OK. All the time I've been on here, when we had deficits, they were estimates, weren't they? Weren't they the same kind of estimates by CBO and everyone else with reference to the deficit over a number of years, as you are doing today and it shows up as a surplus?

ANDERSON: The same type of methodology produced a deficit answer as opposed to a surplus one.

DOMENICI: And I assume, I wasn't the only one around, but we were acting upon those deficits and trying to do something about them, because we believed that they were the best we could and we ought to rely upon them.

ANDERSON: They certainly were.

DOMENICI: Now, might I ask in spite of all the discussion about uncertainty, Mr. Anderson, in making these estimates, which we all acknowledge as estimates, we don't produce budget resolutions based upon ranges or estimates, we produce them on specific dollar amounts. Is that correct?

ANDERSON: Correct.

DOMENICI: And, Mr. Anderson, what is your estimate today of the surplus for this year, 2001?

ANDERSON: What is...

DOMENICI: \$281.

ANDERSON: Thank you, \$281 billion.

DOMENICI: OK.

ANDERSON: It is not only today, but that stream that we have prevented. It is that point estimate, despite all the discussion of uncertainty around the point.

DOMENICI: And what is your estimate today of the surplus for the budget year 2002? I'll give you that also; it's \$313 billion.

ANDERSON: Thank you.

(LAUGHTER)

ANDERSON: \$313.

DOMENICI: Now, Mr. Deputy CBO Director, you come before us with confidence in those numbers, as confident as your staff and the best estimating techniques around applied to you and here in your testimony, these are the best you can do and you give them to us so we can rely upon them, don't you?

ANDERSON: Correct.

DOMENICI: Now, what is your estimate today of the surplus for the next 10 years?

ANDERSON: \$5,610 trillion.

DOMENICI: And you come to us today using the best techniques in terms of growth and the like, and you give us these because they are your best and you expect us to rely upon them as we have in the past?

ANDERSON: If we thought another number was better, we would have given it to you.

DOMENICI: Thank you very much.

Now, let me ask, in addition, to arrive at this \$5.6 trillion surplus, you have taken into account certain expenditures which you did not bring here and show us. But I wonder if you could, for the record, start the chart, that at the bottom leaves you \$5.6 trillion. And tell us how it got there, using expenditures and what kind of estimates you made with reference to them, and what kind of projects and programs were included, not included. Can you do that for us in general numbers?

ANDERSON: Sure.

DOMENICI: I think that would be helpful to everybody.

Now, my closing remarks are not aimed at anyone, but just to get something off my back here in public, so to speak.

You know, it is amazing -- it is amazing -- when we for the first time have a gigantic surplus all kinds and manner of excuses as to why we shouldn't give some of it back to the American people all of a sudden show up, including the vagaries of estimating. You don't rely upon those vagaries you reduce them to estimates, but now we can't have a tax cut because of that kind of vagary that is here called an uncertainty. We do that, we use these kind of estimates, to expend money on. We use these kind of estimates to indicate that we have a surplus that's growing. But then to use it to show that a tax cut is right for the American people, every manner and idea that one can dream up as to why we shouldn't do it comes here to this committee and to the Congress.

I want to conclude by saying I am absolutely positive that the surpluses that you are estimating for us are as good as any estimates we've received when we were in deficit, and we ought to use them. And that means that the American people can get tax relief and we can take care of our problems based upon the best estimating we can get.

The latter statement is my own, but I believe in the end that will be the debate. Do we want to do more speculating or do we want to use your numbers? And if that's the case, can we not give some of this money back to the people?

Now, I yield.

CONRAD: Thank you, Mr. Chairman.

Mr. Anderson, what was your estimate of the 10 year surplus last year?

ANDERSON: \$4.6 trillion.

CONRAD: Earlier in the year what was it, in January?

ANDERSON: In January of '99?

CONRAD: Yes.

ANDERSON: I've forgotten now.

CONRAD: Does \$3.2 trillion sound correct?

ANDERSON: Right.

CONRAD: Were you as certain then as you are now?

ANDERSON: Exactly.

CONRAD: So there you have it. Last year, the surplus forecast for 10 years was \$3.2 trillion. This year, it's \$5.6 trillion. And they were as certain of that forecast last year, as they are of this forecast this year. I simply make the point, not to be critical, but to point out the hard fact is, there is substantial uncertainty. You've put in your report, and I quote, "If CBO's track record is any guide, both the optimistic and the pessimistic scenarios lie well within the range of uncertainty of the budget projections." Is that correct?

ANDERSON: That's correct.

CONRAD: So the hard reality here, folks, is this is a 10-year forecast that has substantial uncertainty attached to it.

Let's go to the question of spending that Mr. Gramm has made. Let me ask you this question. Has spending of the federal government as a share of our national income gone up or gone down?

ANDERSON: Down.

CONRAD: Gone down -- correct answer.

(LAUGHTER)

As we can see from 1992 until 2001, the fiscal year we're in now, the share of national income going to federal spending has gone down consistently. We've gone from 22.2 percent of our national income going to federal programs and federal expenditures, to 18 percent in 2001. And in fact, from 2000 to 2001, federal spending as a share of our national income has not gone up, it's gone down. Would that be correct?

ANDERSON: Correct.

CONRAD: Second question, what percentage of the surplus that we had last year went to debt reduction?

ANDERSON: The vast majority of it, I thought.

CONRAD: The vast majority of it. Very good point. Here are the facts. Last year, of the projected surplus and the actual surplus, 90 percent of it went to debt reduction, not to spending, went to debt reduction. Would that be correct?

ANDERSON: That's correct.

CONRAD: Finally, the chairman of the committee talks about the deficits being projections. Deficits that we've experienced over the last decade were not projections; they were real. They were actual deficits.

Now let me ask you this final question. You're projecting over 10 years a \$5.6 trillion surplus. As I understand it, \$2.5 trillion is Social Security, is that correct?

ANDERSON: Correct.

CONRAD: \$400 billion is Medicare, is that correct?

ANDERSON: Correct.

CONRAD: \$500 billion is other trust fund surpluses, is that correct?

ANDERSON: I believe so, yes.

CONRAD: So the amount of projected surplus over the next 10 years that is not in trust funds is \$2.2 trillion, would that be correct?

ANDERSON: Correct.

CONRAD: Well, I thank you, Mr. Anderson. I thank you for your testimony, and I thank you for the assistance that you've been to this committee. I think the bottom line for me is, this is a 10-year forecast. Undeniably, there is substantial uncertainty attached to it. You've testified to that fact. Of the \$5.6 trillion forecasted surplus over the next 10 years, \$3.4 trillion of it is from trust funds. My own view is, we shouldn't raid trust funds for spending, for tax cuts, for any other purpose. Those trust funds ought to be held inviolate. And that leaves us with \$2.2 trillion, and we can't be absolutely confident of that.

I would say that President Bush's plan for a \$1.6 trillion tax cut, combined with the interest costs associated with it of about \$400 billion, and the \$200 billion we'll need for AMT reform, especially given his tax plan, is just imprudent. It's imprudent to use all of the non-trust fund surpluses for a tax cut. It would be much more prudent to use part of it for a tax cut, part of it for these high priority domestic needs, which he has identified and others have as well, and part of it to deal with our long-term debt condition as well as a hedge against these projections being wrong.

When I talked about roughly equal thirds, \$900 billion for each third, that includes the deficit or the interest costs, the associated interest costs. That would leave one with a net tax reduction of about \$750 billion. I think it's critically important that people remember any time we cut taxes, or increase spending, that adds to the interest costs. Is that correct, Mr. Anderson?

ANDERSON: Correct.

CONRAD: That's an important thing for us to keep in mind as we go forward. The interest costs associated either with spending or with tax cut.

Let me conclude on this note, and we'll recognize Senator Byrd.

My greatest concern -- my greatest concern -- and it has been dramatically heightened ever since the Greenspan testimony, is that we will abandon fiscal discipline around here, and that we will spend money and we'll have massive tax cuts and we'll wind up back in the deficit ditch we just climbed out of. That would be the worst outcome for the American people. And we ought to be cautious, and we ought to be conservative. And we ought to make sure, yes, to have a tax cut, but also to recognize the hard reality: These are 10-year forecasts. They could be off by dramatic amounts.

CONRAD: And so we shouldn't put all of our eggs in the tax cut basket. We should reserve some of the money for these high priority domestic needs in health and education and defense, but we should also make sure that we are looking ahead to these large fiscal imbalances that are just down the road, which you've warned us here today.

Senator Byrd?

BYRD: Mr. Chairman, what I was going to have to say had to do with expenditures. Since there have been several references to expenditures, being the ranking member on appropriations where we spend money, I was going -- I had a few things to say, but most of the audience around the table has departed. I think you made my statement. I won't repeat it; you made it much better.

But I wanted to point out that, as a percentage of GDP spending in FY 2001, I think you pointed out was about 18 percent. That's the lowest since the mid-'60s, and I was here in the mid-'60s and before.

ANDERSON: That's the chart that makes your point, Senator, that the fact is federal spending is measured against our national income has gone down dramatically ever since 1992.

BYRD: Yes.

ANDERSON: And we're now at the lowest level since back in the 1960s.

BYRD: Exactly. Thank you.

Mr. Chairman, I thank you.

And I thank you, Mr. Anderson.

CONRAD: Thank you, Mr. Anderson.

END

U.S. SENATOR PETE DOMENICI (R-NM) HOLDS HEARING ON THE LONG-TERM BUDGET OUTLOOK, 2/6/2001

CLINTON: I thank you very much, Mr. Walker, and I appreciate what Senator Nelson just said, and I got the notes from what Senator Byrd and Senator Conrad had said. And I'm very grateful that you've raised a lot of the hard issues that should be taken into account as we make these decisions. You know, it seems to me that we've got some real differences, as Bill said, Senator Nelson said, between that line that goes between our chairman and our ranking member.

And I start with the differences we seem to have on arithmetic. You know, it is very difficult to get the numbers to add up from what is being proposed in terms of the additional obligations. And you point out in your testimony that the baseline projections assume the expiration of about 20 existing tax credits, most of which, based on what I've heard, including the research experimentation tax credit, are going to be routinely extended once again.

The baseline projections also assume no change in the alternative minimum tax, which if we do nothing is going to affect an increasing number of middle class taxpayers, which therefore means we will do something, because we'll have to do something. We don't have population growth factored into any of the projections about increasing spending, which means, therefore, that although inflation may have been taken into effect, we're still going to have decreasing numbers of people eligible for certain discretionary programs.

I guess I would just have to ask your opinion, Mr. Walker, how you would advise us to begin constructing a tax cut before there's some common ground as to what the real costs are with respect to expiring provisions, investments, demographic changes, and the like?

WALKER: Well, first, Senator Clinton, I was a trustee of Social Security and Medicare for five years, from 1990 to 1995. And in that I had to project for 75 years, along with my co-trustees, which was more of an art than a science, as you can imagine, a lot more inherently uncertain than going 10 years. I believe you need a baseline to go from. And basically what you're doing is you're basically assuming current law, which is what the Social Security and Medicare trustees assume. They assume current law. But we need to recognize that there are inherent limitations, that by assuming current law, in some cases, that has varied from practice.

Past practice has been that many expiring tax provisions are extended, and you point out demographics and things of that nature. That, I think -- that information has to be used to help inform you to determine what's the right balance, what's the right balance between tax cuts, spending increases, debt reduction? What, if any, impact does that have on your judgment as to how much of any of these actions should be contingent upon actual future events? Each of you get elected; I don't. So my job is basically to try help give you the facts, give you the results of what we've done in other countries and what we've done with regard to other states, and to try to help you make those tough political choices.

CLINTON: But you would agree that some of the factors that we just discussed should be certainly taken into account as we look at making those tough political choices.

WALKER: You should take those into account as to the relative degree of risk, or the relative degree of certainty. Now, in fairness, the projections have been going up. They've been getting better. And in reality, we've got kind of the opposite of what we have in Social Security and Medicare. By that I mean, as you know, in Social Security and Medicare, every year that goes by, you get rid of a good year and you add a bad year. This is the opposite, at least for right now. For every year that goes by, we're adding a bigger surplus until we hit the wave, and when we hit the wave, it can swamp us if we're not careful.

CLINTON: Well, that's, I guess, what concerns me. We've seen surpluses going up but for a relatively short period of time compared to the 10 years we're looking out at. The numbers have increased dramatically just in six months, but there's no guarantee that the probabilities are that they will always keep increasing. And it strikes me as short sided for us not to take into account some of our long-term challenges, some of which you mentioned with respect to entitlement programs, but I think there are other investments that our country should be looking at.

And if you look at the baseline controversy that we seem to have and try to consider whether we're ever going to agree on what the real numbers in the tax cut might be, you overlay with probability issues as to the uncertainty of these projections continuing to increase, and you put it into the context of long-term national needs that I think have to be addressed. We're dealing with just a lot of uncertainty at this point.

And part of my question is, what's the hurry? I think the responsible thing to do is for us to be sure that we're making the decisions that are best for the country, and I don't think that we have adequate information or experience yet on which to base those decisions.

DOMENICI: Are you finished, Senator?

CLINTON: Yes.

U.S. SENATOR PETE DOMENICI (R-NM) HOLDS HEARING ON THE BUDGET AND TAXES, 2/13/2001

CLINTON: Thank you. And thank you, Mr. Chairman, for your courtesy in letting us continue with our questions. I appreciate that very much. I just want to identify myself with Senator Byrd's remarks, but add just one additional concern that I have and I believe others do, as well.

In addition to my concern about the uncertainties of the projected surpluses, my concern about continuing debt reduction and my concern about Social Security and Medicare, I'm also concerned about other essential government programs that I believe we should continue to invest in for the good of our citizens.

And I would like to ask that an article that appeared in the New York Times yesterday be entered into the record. The title is "Some fault Bush tax cuts were lean days in Texas." And the point of this article is that one very essential program, Medicaid, which we rely on certainly in New York to try to provide health care for our poor people and people who are working, but not making enough money to be able to afford care and still eligible for Medicaid, is under serious attack from potential budgetary shortfalls in the state of Texas.

And let me just quote just a few points from this article because I think there's a salutary lesson here. "The growing cost of health care for the poor, largely Medicaid, is the biggest budget problem. Projections show that an additional \$650 million is needed just so that Medicaid and other health care services will be financed for the current fiscal year, which ends on October 31."

The article goes on to say that the question now is whether the Medicaid costs will prevent lawmakers from expanding the program. Texas already has 1.5 million uninsured children. I think Texas has among the highest number and percentage of uninsured children in the entire country, including an estimate 600,000, who are eligible for Medicaid, but are not enrolled.

And then, this last paragraph seems to be a point that all of us should take to heart. After a legislative hearing last week on the rising Medicaid costs, state senator, Chris Harris, a Republican from Arlington, criticized the tax cut. Quote, "We made tax cuts because we thought we had this huge surplus," he said, according the Associated Press. "I might have voted a little differently on all those tax cuts, had I realized that we were only funding 23 months of these programs," unquote.

Now, I appreciate greatly the difference in opinions among experts such as our four distinguished panelists. But I believe that those of us who are on the Budget Committee have to be guided by experience, as well as projection.

And it is certainly our experience, going back 20 years to the tax cuts enacted under President Reagan and it is certainly our experience in looking at the state, not just Texas, but other states that are now facing budget shortfalls because they miscalculated their projected surpluses or they spent their projected surpluses in combinations of returning those surpluses as tax cuts or spending that we have to be more cautious and more prudent based on experience.

And I appreciate greatly suggestion or ideas from experts. But I think, at the end of the day, we have to be guided by what we think the real world is and how it works. And I guess I would just be really upset with myself if we found ourselves in a position in a year from now similar to what the gentleman from Texas I just quoted found himself in, having passed large tax cuts that made it impossible, not only for us to pay down the debt and protect Social Security and Medicare, but take care of some of the fundamental needs of the American people.

So, from my perspective, I think that the back and forth and the discussions about uncertainty just are not only yellow caution lights, but big red flags about what we need to be concerned about.

Let me just ask the panelists, and maybe you can just give me a yes or no answer. If you believed that the charts that our ranking member held up were accurate, that the real cost of President Bush's tax cut is the total spending of the non-Social Security, non-Medicare trust fund surplus, would you still favor this tax cut?

(UNKNOWN): I can start. I don't favor now and I certainly wouldn't favor it then.

CLINTON: Mr. Hassett?

HASSETT: Yes, I would.

CLINTON: You would still favor the tax cut, even if it used all of the surplus?

HASSETT: I would because those estimates of the surplus don't allow for any economic impacts at the lower marginal rates. They don't allow for any stimulus from putting in people's pockets in the near term. And I think that those assumptions, I understand why they're there for scoring purposes, they're unreasonable. So, I want to help the folks that you're talking about. And I believe that the best chance to make sure that the economy is there for them is to not have a really, really tight fiscal policy as we're entering a recession grasp.

(UNKNOWN): Two points, Senator Clinton. Number one, I can't think of any other context in any other aspect of life where somebody would say what is my full 10-year disposal income, et cetera, and commit it all 10 years earlier, not knowing the uncertainties of life.

(UNKNOWN): I can't think of anybody encouraging their child to budget that way, their family to budget that way, their school, their company. Nobody would encourage them to do this. There's almost like a sprint, a rush to get rid of this money in a way that is contrary, not only to the hypothetical company Senator Conrad mentioned, but it's almost any other endeavor.

Secondly, there are huge costs to be borne to solve Medicare and Social Security. If we give away this money now in a consumption- oriented tax cut, those costs will have to be borne later. And I suggest they will be borne in ways that will be much more painful to the average American and that we will deeply regret later on when people are doing Social Security and Medicare, that we gave up this surplus in such a hurry for a consumption-oriented tax cut going significantly to very well off people.

(UNKNOWN): I think making a decision like that is a difficult problem. And since I don't think the assumption is correct, it's too hard a question. I think that if we take Senator Conrad's number, \$2.2 trillion funds available, I think the cost of the proposed tax cut, not the one that people can imagine, but the proposed tax cut is substantially less than the \$1.6 trillion the cost of the response the taxpayers will have to it. Even including the interest costs associated with it, we're probably talking about \$1.5 trillion over 10 years.

So, relative to the \$2.2 trillion that's Senator Conrad's number, that leaves about \$700 billion. And I think that the forecasts that the CBO has put forward are, as they say, quite conservative. They use a 3.1 percent growth rate. (inaudible) to outside the Beltway and not part of this political forecasting process estimates that the potential GDP growth for the U.S. economy will be 4 percent. So, substantially larger budget surpluses strike me as more likely than smaller ones. So, I don't think that we are forced to make that tough, would you spend your last nickel question because I think there are going to be a lot of nickels left.

CLINTON: Well, I guess that is the half full or half empty glass that we're trying to decide on.

And, in closing, Mr. Chairman, I just wanted publicly to thank Gene Sperling for his eight tireless, and I underline tireless, years of work on behalf of not only the prior administration, but our country, and his commitment to fiscal responsibility that was really a hallmark of his tenure in the White House. And, you know, I, as an admirer of his incredible commitment, just want to publicly thank him for that.

GRASSLEY: Thank you, Senator Clinton.

Senator Sarbanes?

SARBANES: Well, thank you, Mr. Chairman. I'd like to echo Senator Clinton's comments about Gene Sperling and his extraordinary contributions. We all know how hard he worked. I think this is the first time I've seen him in years when he didn't look close to exhaustion.

CLINTON: Yes, me too.

"The Point with Greta Van Susteren," CNN, 2/15/2001

DAVID MATTINGLY, CNN CORRESPONDENT (voice-over): As the first, first lady to become a member of Congress, the swearing in of U.S. Senator **Hillary Rodham Clinton** was the beginning of life in a national spotlight unusual for a freshman senator. And so far, the spotlight has burned brightly: national media recording her every move -- promoting health care, shaking hands with Alan Greenspan, even reading a post-Super Bowl poem.

H. **CLINTON**: And it was in the bleak December...

MATTINGLY: But where other newly elected officials might enjoy a period of post-election celebration, a political honeymoon some call it, Senator Clinton could not.

DUFFY: When the Clintons left the White House, I think some very bad judgment calls were made, and frankly, I think it's hurting President Clinton, former President Clinton, much more than it's hurting Senator Clinton, but it is still in the news every day.

MATTINGLY: First there were questions about possible Senate ethics violations and her \$8 million book deal. Most of the money went to charity, and Senator Clinton was formally cleared by a Senate committee this week. But then came the White House gifts, \$190,000 worth of presents from supporters. And then the biggest problem: When President Clinton issued a controversial 11th-hour pardon to billionaire fugitive Marc Rich.

Rich's ex-wife Denise Rich was a key fund-raiser for both of the Clintons. The former Mrs. Rich had also given them \$7,300 worth of furniture for their New York home. Critics want to know if the gifts to the Clintons played a role in Marc Rich's pardon.

DUFFY: One of the things that's so striking about all of this is that not very many people are defending the Clintons right now, particularly Democrats. The Democrats who defended them every day for eight years are just not doing it anymore.

MATTINGLY: With a congressional investigation looming, what followed for the senator was a wave of damage control. Some of the items the Clintons said they thought were personal gifts, in fact, were gifts to the White House and were supposed to stay there.

H. **CLINTON**: I can only say that all the gifts were appropriately dealt with, and if you have specific questions about any of them, my staff can give you all the details. MATTINGLY (on camera): Last week, the Clintons returned 19 pieces of furniture and decorations. The will also reimburse gift-givers to the tune of \$86,000. This is all for presents they received during the last year of the Clinton White House.

HANK SHEINKOPF, POLITICAL CONSULTANT: The only mistake was waiting a while before coming up with an appropriate response. Her response calling, saying that this was a bookkeeping error, frankly, washes well. And her husband's move of his office to Harlem, frankly, tramples on the story. It makes it much smaller than it was.

MATTINGLY (voice-over): Critics complained that the ex-president's proposed Manhattan office space was too expensive. He then found a new location in Harlem, instantly winning the senator's approval.

BILL **CLINTON**: I called Hillary, and I asked my senator first how she would feel about me coming to Harlem, and she loved it.

MATTINGLY: But even this new office space had a downside. It's currently used by a city agency. Negotiations are needed to find the agency a new home.

MAYOR RUDY GIULIANI (R), NEW YORK: I think idea of moving up to Harlem is a good one. I think it would be -- obviously, the way it's been received in the neighborhood appears to be very -- very supportive. We don't want to stand in the way of that. At the same time, we don't want the needs and the concerns of the Administration for Children Services brushed aside either.

DUFFY: While certainly President Clinton, you know, made some decisions on his own about pardons and office space, you know, Senator Clinton made -- was party to a few of them herself. I mean, her book deal was all her decision. The gift issue and the furniture issue, she played a part in that. So they both share, and I'm not sure that either of them were thinking about her political future at that point.

H. **CLINTON:** Senate is conducting morning business.

MATTINGLY: And what does her political future hold? Will the spotlight on Senator **Hillary Rodham Clinton** continue to be dimmed by lingering shadows of the Bill Clinton presidency? Will she be able to deliver on campaign promises to her home-state constituents and keep the Clinton political legacy alive?

David Mattingly, CNN.

U.S. SENATOR JAMES JEFFORDS (R-VT) HOLDS HEARING ON PRESIDENT BUSH'S EDUCATION PLAN, 2/15/2001

CLINTON: Thank you, Mr. Chairman.

And I wanted to thank you, Secretary Paige for your testimony today and the previous times that you've been willing to meet with members of this committee to discuss our mutual concerns about improving education.

I think that you've heard a number of issues that are of deep, deep concern to many of the members on this committee. And I will certainly look forward to working with you as we try to hammer out answers to a lot of these questions and put some real meat on the bones of the framework that the president is presenting.

But I think the overall concern that many of us have is the timing and the process that we're facing. You know, it's very difficult to discharge our responsibilities to our constituents, and particularly to our children, if we're being asked to consider very important decisions without adequate information.

CLINTON: And I know that you understand that and that you will work with us to provide that information, not only the substantive answers to questions about how the legislation would be drafted and implemented, but also the budgetary questions that we are all concerned with.

I had just a series of concerns that I would like to get answers back and certainly share them with the committee as well.

You know, under Title I, nearly 9,000 schools were identified in need of improvement through the Title I accountability system. Others were, obviously, identified as needing improvement through other accountability systems. But only about 40 percent of those identified did receive any help to improve, and less than half of the schools get any additional help to provide their teachers with the professional development or access to the kind of research-based reforms that I think you favor.

So I would like additional information about we're not only going to be identifying such schools, but also providing them with the resources that are needed.

Secondly, we've heard quite a bit of discussion about the accountability system and I appreciate Senator Warner specific questions about his state. I have comparable concerns. New York has spent a considerable amount of money and effort devising very good tests

that are research-based, that are being implemented over time. We will need to know specifically how what we've already done will fit into President Bush's plan. What kind of additional resources we would be able to call upon in order to continue what we've already started or certainly if we're then going to be asked to add something layered on to what we've done, where the dollars would come for doing that.

And so that's a very specific issue that I join my colleague from Virginia in asking you to help us understand how the plan would work.

Thirdly, as you stated in response to some questions, we do have research that smaller class size in general is better -- that if we get the class sizes down. Many of us fought very hard over the last eight years to try to get a stream of funding that would help us add additional teachers and lower class size based on the research that was available, starting with the Star (ph) research in Kentucky. And we are concerned that if those dollars are not continued or other dollars substituted, this initiative to try to drive down class size will be derailed and the positive results we're seeing will not be realized.

And that leads me to another concern. It's very hard in many of our states to find spaces to lower class size. We all know that is we can lower those class sizes and provide qualified teachers to teach, that's the magic of the combination that we're looking for. Without some support for school construction, repair and modernization, it will be very difficult to realize these ends.

And I know this is outside the ESEA, but it is integral to our consideration of what it is we're hoping to achieve by accountability measures.

Now the GAO says we have \$127 billion in school construction needs. The American Society of Civil Engineers puts the figure at \$172 billion. And, of course, in its 1998 report card for America's infrastructure, the American Society of Civil Engineers graded all of our infrastructure needs, gave our schools a failing grade of F, pointing out that one-third of all schools need extensive repair or replacement; that we need to try to make our schools more able to use the technology that Senator Mikulski and others are so much an advocate of.

Without some help from the federal government on the issue of school construction, repair and modernization, many of these plans that you are promoting, that many of us support on this panel, will not come to fruition. Is it your understanding that there will be or will not be any funding in President Bush's budget for school modernization, repair and construction?

PAIGE: At this moment, it's going to be difficult for me to be emphatic about the exact details of the budget. I really don't have that information and am unable to give it to you. But as soon as that information is available, I would be able to provide it.

CLINTON: I would certainly appreciate that, Mr. Secretary, because I too applaud and respect your deep commitment to children. You are sitting in this chair because you are someone who has loved and cared for children, oftentimes children that others had given up on and left behind.

I have absolute confidence in your intention and your good faith. My questions go, however, to the system in which you now find yourself operating. You know, just as schools have bureaucracy they have to deal with, I know that the federal government, from my own experience, has a lot of bureaucracy to deal with, and the budget process is the real key to how we will function.

And so I would hope that, in your discussions with your colleagues in the administration, you will convey the depth of our concerns, our willingness to be partners and our desire to have information that will enable us to make good decisions.

Thank you .

PAIGE: Thank you .

JEFFORDS: Well, thank you, Mr. Secretary. I must say that you have been most thoughtful and sincere and honest; I think among the best of witnesses I've ever had before this committee.

PAIGE: Well, thank you.

JEFFORDS: And I believe you are going to represent the president in a very wonderful and thoughtful way and be most successful.

PAIGE: Thank you.

JEFFORDS: Thank you for coming.

PAIGE: Thank you so much.

JEFFORDS: It's over.

END

"CNN Live Event/Special," CNN, 2/22/2001

LOU WATERS, CNN ANCHOR: All right, we are watching the Rotunda in Washington, where **Hillary Rodham Clinton** is expected any moment now to make some statement regarding the latest revelations concerning the pardons in the last days of the Clinton administration.

Some of which she said she had no knowledge of, took no part in. But her brother, Hugh Rodham, apparently is involved in the latest revelations of two men pardoned by the president. Hugh Rodham getting almost \$400,000 for his services, his legal fees. Hugh Rodham is an attorney. Bruce Lindsey was the liaison between the pardon and Hugh Rodham at the White House.

And who knew what, about what, is the subject of many inquiries going on today. Not only from reporters, but from members of the House Government Reform Committee, Senator Burton's committee, and also the Senate Judiciary Committee, which is looking into matters of money and Had there any been any quid pro quo regarding any of these pardons that we are hearing more and more about.

Here's **Hillary Rodham Clinton**.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I understand you have a few questions for me that you might want to ask. Who wants to start?

(CROSSTALK)

QUESTION: ... your brother and the pardon and clemency petition, first? And secondly, do you think your husband handled these pardons appropriately?

CLINTON: Well, I was very disappointed and saddened by this whole matter. You know, it came as a surprise to me, and it was very disturbing. And I'm just very disappointed about it.

With respect to any questions about the pardons or the president's handling of the pardons, you'll have to ask him or his staff about that.

QUESTION: Did you speak in favor of any pardon request, clemency request, with your husband? And if so, which ones?

CLINTON: You know, I did not have any involvement in the pardons that were granted or not granted, you know, and I'm just very disappointed about my brother's involvement.

QUESTION: Senator, did you speak to anyone at all about any of the pardons?

CLINTON: Oh, you know, as I have said in the past, when it became apparent around Christmas that people knew that the president was considering pardons, there were many, many people who spoke to me or, you know, asked me to pass on information to the White House Counsel's Office. I've already said that I did that, and I did. There were many, many people who had an interest, a friend, a relative, but it was all passed on to the White House Counsel's Office, and they, along with the president, made the decisions.

QUESTION: What about Roger Clinton in specific: Did he ask for a pardon?

CLINTON: I don't know the answer to that.

QUESTION: Did he ask the president for a pardon?

CLINTON: I don't know the answer to that.

QUESTION: Why would anyone, Mrs. Clinton, contact your brother if they were not trying to get access to you or the president?

CLINTON: Well, you'll have to ask him. If I had known about this, we wouldn't be standing here today. I didn't know about it, and I'm very regretful that it occurred, that I didn't know about it. I might have been able to prevent this from happening. And I'm just very disappointed about the whole matter.

QUESTION: Are you disappointed that Bruce Lindsey didn't tell your husband that he apparently had been contacted by your brother?

CLINTON: You'll have to ask the people involved. I don't know anything other than what has now come out, and I did not learn about that until very recently.

QUESTION: What exactly did you not about? Did you not know that he was representing them? Did you not know about the money? And finally, what about your campaign treasurer, William Cunningham?

CLINTON: Right.

QUESTION: Should he also return the fee that he got regarding the two other pardons?

CLINTON: Well, let's separate these out. I did not know my brother was involved in any way in any of this. I learned that there were some press inquiries, of a vague nature, last week sometime. I did not know any specific information until late Monday night. I was actually in a movie theater, and I was called and told that my brother had been involved and had taken money for his involvement.

And as soon as I found out, I was very upset about it and very disappointed about it. My husband found out early the next morning, because he was traveling and not available until then to be told. And we immediately said that this money had to be returned, and it has been.

Now, with respect to Mr. Cunningham, I knew nothing about that. But I know that he is, you know, a fine lawyer and a fine man. And I had no knowledge that he was involved. But, you know, lawyers from all over the country were involved in these matters. That has happened in the past; that shouldn't be a surprise to anyone.

CLINTON: But you'll have to ask Mr. Cunningham about the details, but I didn't know anything about his involvement at all.

QUESTION: Do you think it's appropriate for...

QUESTION: What about Mr. Ickes?

(CROSSTALK)

QUESTION: It sounded like...

CLINTON: I did not know anything about that either.

QUESTION: Senator, do you think it will be appropriate and necessary for your husband to come before Congress and answer these questions, much like you're doing today?

CLINTON: Well, you'll have to ask him and his staff about that.

QUESTION: Senator, was your brother a guest at the White House for the final two weeks of your husband's administration?

CLINTON: He was a frequent guest at the White House. You know, he's my brother. I love my brother. I'm just extremely disappointed in this terrible misjudgment that he made.

QUESTION: But during the course of...

QUESTION: But are you upset that he took money or that he represented these people at all?

CLINTON: Both.

QUESTION: Have you spoken to him since?

CLINTON: No, I have not.

QUESTION: Senator, when you first heard the rumors, why didn't you just pick up the phone and ask him about it and express your opinion? And, secondly, what does it say about the moral climate fostered among the people closest to you that this kind of thing could happen and all the other controversies regarding the pardon?

CLINTON: Well, you know, I hear so many rumors all the time that, you know, I really -- you know, vague rumors don't mean anything to me anymore, after all of the years that I've been here. And as soon as I had anyone with solid information, I immediately acted. But at that point, I did not think it appropriate to call my brother, because I didn't want anyone asking what we talked about or putting either him or me in a very difficult position. So I have not talked with him.

CLINTON: As soon as we found out Monday night, I was heartbroken and shocked by it, and, you know, immediately said this was a terrible misjudgment and the money had to be returned. And that's what we worked on.

You know, this is a very sad matter to me, personally, and it was a surprise. But more than being surprising, it was extremely disappointing.

QUESTION: What did he say when you asked him to give the money back?

CLINTON: I did not ask him. I did not ask him directly. I have not talked...

(CROSSTALK)

CLINTON: No, I'm sorry you didn't hear me. My head was turned the other way. No, I did not talk to him. I have not spoken with him. I did not want to speak with him because, frankly, I didn't want anybody to draw any wrong conclusions about what I might or might not have said to him. So I have not spoken with him.

QUESTION: Well, the fact that you're so close, it seems sort of odd that you wouldn't...

CLINTON: Well, but I understand how these things are. And once I had solid information late Monday night, I did not think it was in his interest and certainly did not believe it was appropriate for me to speak with him. So I have not.

QUESTION: You reacted as a lawyer would react.

CLINTON: Well, I was reacting as someone who was extremely disappointed in this whole matter. This was a very sad occurrence to have happen. And I wanted to be sure that the money was returned, and it has been.

QUESTION: Do you feel he betrayed a trust? You said you were heartbroken. Were you disappointed with him personally, feeling he betrayed a trust?

CLINTON: Well, let me use my own words, and my own words are that I'm very disappointed, I'm very saddened, and I was very disturbed when I heard about it.

(CROSSTALK)

QUESTION: ... using their connections to you to have the president grant clemencies, commutations...

CLINTON: Well, it's very regrettable, and it shouldn't have happened. And if I'd had any knowledge or notice of it, I believe I might have been able to prevent it. I don't think we'd be standing here talking about it. But I did not.

QUESTION: But on the whole broad scheme of things...

CLINTON: Yes?

QUESTION: ... the number of people...

CLINTON: Well, you know, this will have to be put into a broader context. It's not for me to do that. You'll have to look at the broad context, compare it with, you know, past actions that have occurred around this constitutional power, and I'm just not going to comment on that.

QUESTION: Senator, you've had a kind of a rocky start as a senator. How do you put all this scandal behind you and move on as a senator in this light?

CLINTON: Well, you know, I'm very disappointed about what's gone on for the last weeks. It is certainly not how I would have preferred or planned to start my Senate career, and I regret deeply that there has been these kinds of matters occurring.

And all I can tell you is that I have gotten up every day and worked as hard as I can to be the best senator I can be, and that's what I intend to do. You know, I'm here today to meet with my staffs, both from New York and from Washington, about our legislative agenda.

CLINTON: We'll be rolling out our upstate economic plans next week. I've spent a lot of time in the last two weeks traveling around the state talking with people about what we intend to do.

I'm very much looking forward to President Bush's address to the Congress and his presentation of a budget and trying to figure out what the impact of that will be on New Yorkers.

So I have my hands full being a senator, learning the ropes, you know, working with my colleagues, dealing with my constituents, and I love doing it. I'm having a really good time doing it, but, of course, I'm disappointed and saddened that, you know, these matters are up.

QUESTION: What have you found out about your brother's involvement in these cases? How he became involved and what he did?

CLINTON: I have nothing to add to -- other than his public statement, which was made yesterday.

QUESTION: If the committees investigating the pardons on the House and Senate side wanted to talk to your brother, wanted him to become the committee, would you encourage him to do so?

CLINTON: He should fully cooperate with any and all inquiries by anyone about this matter.

QUESTION: Let me ask you, just in a broader context, people say, "With the Clintons, it's always something."

CLINTON: Have you noticed that?

(LAUGHTER)

QUESTION: Why is that?

CLINTON: I don't know. I wish I knew. Look, I think that we are apparently, you know, people who attract a lot of attention, and that's both good and bad. There's no doubt about that.

I think that, you know, the two terms that my husband had as president were good for this country. I think, even standing here today, he did a good job for America. And we had a lot of good, positive things happening.

CLINTON: Obviously, I wish that the last weeks had unfolded differently, and I'm very sorry that they have not.

But all I can say is now I've got a position and a responsibility that I'm going to do my very best to fulfill to the very best of my ability. And people will have to judge me at the end of my term based on what I do, and that's what I'm going to ask people to do.

(CROSSTALK)

QUESTION: The Democrats are all trying to put distance between themselves and both of you, really, and certainly, "the Clintons." Doesn't that make it difficult to defend anything he did over the last eight years?

CLINTON: No.

QUESTION: And hasn't it been difficult for the Democrats to rely on his accomplishments because of...

CLINTON: I don't think so. I mean, I really think that everything has to be put in context. And I know that that's often difficult to do, but I feel that our country is stronger and better because of the Clinton administration.

And yes, there have been difficulties, and there have been problems. And those have to be viewed, and people have to take responsibility for them and have to answer for them, which I certainly think we have done over the last eight years.

But I don't believe that, in the view of history, this administration will be judged lacking. I think, instead, there will be very many positive attributes and accomplishments that people will look to.

And I, for one, believe that much of the work that is still to be done in our country has to build on the progress and prosperity of the last eight years. I don't want to change direction. That's one reason why I'm, as the senator from New York, very anxious to see what the administration is going to be proposing on the budget. **CLINTON:** These are very big issues that will affect the quality of the lives of the people I represent. And, you know, I think we have a good framework for knowing how to keep the economy going and dealing with people's needs, and doing a lot of the other important work of keeping the crime rate down and improving education and health care. And I believe that this administration has shown us how to do that effectively. So I think, historically, you have to put everything in context, and I'm someone who believes that, overall, the accomplishments are ones that will stand the test of time and history.

QUESTION: Senator, did you have conversations with either Mr. Lindsey and/or...

QUESTION: Senator, what made you finally speak out today?

CLINTON: I'm sorry?

QUESTION: What made you finally speak out today? And what do you hope to accomplish by speaking out?

CLINTON: Well, you know, I found out about this, as I said, late Monday night, and, you know, it's 48 hours later, I guess. And I know that people have questions. I believe I have an obligation, as a public official, to answer those questions, and so this was my earliest opportunity to do that.

QUESTION: Senator, an interior decorating question for you? Today some tables, some furniture, was delivered to your house.

CLINTON: Right. Right.

QUESTION: Anything to do with Denise Rich?

CLINTON: No, my dear, nothing to do -- not at all.

QUESTION: Senator, did you ever have a discussion with your brother, notwithstanding his professional involvement, about pardons or commutations? And the same question as regarding Bruce Lindsey?

CLINTON: No, I did not. You know, I don't have any memory at all of ever talking to my brother about this. You know, that's my best memory.

But I have to say, and I will repeat once again, information was coming to me, information was passed on. So, you know, if I said information came, people wanted to look at, I might have said that. I just don't remember anything further than that.

(CROSSTALK)

QUESTION: That's not in conceivable your brother...

CLINTON: To the counsel's office.

QUESTION: So your brother may have spoken to someone who had spoken to you?

CLINTON: No, I mean, it was just passed on.

I'm sorry?

QUESTION: So your brother may have spoken to someone who then spoke to you.

CLINTON: No, not about any involvement of my brother. No, I want to make that 100 percent clear. I don't want you to try to put words in my mouth. I knew nothing about my brother's involvement in these pardons.

CLINTON: I knew nothing about his taking money for his involvement. I had no knowledge of that whatsoever.

(CROSSTALK)

QUESTION: Why specifically are you disappointed in your brother? What is wrong with him taking this role? And secondly, why are you not disappointed, or are you, in the treasurer of your campaign also representing...

CLINTON: Well, I think that, you know, you really have to draw a distinction, which I hope the press can do, between lawyers who are doing their job and going through, as I understand it, the ordinary course of business on these matters, and a family member. I think it's a very big difference.

And, you know, if he were, you know, Joe Smith from somewhere who had no connection with me, we wouldn't be standing here, would we? So I just think you have to see it in context. That's what I keep asking people to do, is put these things in context. And there's a very big, very big difference.

(CROSSTALK)

QUESTION: ... sometimes blame your political enemies for your troubles. Do you in any way blame them for this?

CLINTON: Not at all. Not at all.

QUESTION: Who do you blame?

CLINTON: You know, I mean, I've said that I think my brother made a terrible misjudgment.

QUESTION: Senator, the past few years, the Democrats, by and large, have really stood by you and your husband over everything that's happened. And for the first time we kind of see Democrats not standing by you and really coming out against the actions, both on the pardons and the gifts that you all received. Why do you think that is, and what do you think about that?

CLINTON: Well, you know, I can't speak for anybody else, and I'm not going to speculate on anybody's, you know, feelings or motivations. But, you know, I think it's understandable. And, you know, what I want to try to do is, you know, answer any questions anybody has for me and give you my, you know, best information and then let people make their own judgments.

QUESTION: Since Bruce Lindsey was key in negotiating all of these, many of the pardons, why don't you blame him for some of the fallout...

CLINTON: I don't blame anyone for this right now. You know, we don't need to be making judgments about this. I don't personally have any information. I think that it's regrettable that my brother was involved at all, and I'm very sorry that he was.

(CROSSTALK)

QUESTION: Did he ever speak to you about the pardons?

CLINTON: No, he did not.

QUESTION: Have you asked your husband what kind of contact they had?

CLINTON: You know, I never talk about conversations with my husband.

QUESTION: But this is a question that is being investigated. Have you sat down, at least -- even if you don't want to say what you talked about -- have you sat down with your husband and said, "What went on?"

CLINTON: You will have to ask the president and his staff any specific questions about any pardons that were or were not granted.

QUESTION: Senator, is Marc Rich among the people that he passed information on?

CLINTON: No. You know, I never knew about Marc Rich at all. You know, people would hand me envelopes, I would just pass them. You know, I would not have any reason to look into them. I knew nothing about the Marc Rich pardon until after it happened.

QUESTION: Had your brother warned at all to avoid this kind of thing after the episode with the hazelnuts?

CLINTON: I don't know the answer to that. I believe so, but I don't know the answer to that.

QUESTION: Senator, do you think your husband made a mistake in pardoning Marc Rich?

CLINTON: I know that other senators have commented on this, and I think you might understand why I'm not going to have any comment on any of the pardons, on the merits or demerits that might surround any of these pardons.

QUESTION: Some of your Democratic colleagues, Senator, suggested that your husband has become a distraction to the agenda for the Democrats. Do you think that your husband has begun to take a spotlight away from the Democratic agenda here on the Hill?

CLINTON: Well, I think that the Democratic agenda is the agenda that Democrats on the Hill set. It's clear to me that both the House Democrats and particularly the Senate Democrats,

because of the 50-50 split, are the leaders of the Democratic agenda. And I think that's what people expect, and that's what we're going to try to deliver.

QUESTION: Just to clarify something: You don't think that there's anything inappropriate about what Mr. Cunningham did?

CLINTON: I don't know any facts. But I just must say that there's a very big difference between whatever he did and my brother being involved. And I know Mr. Cunningham is, you know, a fine person and a good lawyer. And I know lawyers prepare and process pardon applications.

CLINTON: So I'm not going to make any statement of any kind about something I know nothing about, other than to please ask you to make a distinction between a gentleman with, you know, Mr. Cunningham's background and experience and my brother who, you know, as a family member, should not have been involved in this situation.

QUESTION: The person who is handling your campaign finances is also pushing pardon matters before the president you're married to. Doesn't that send a signal?

CLINTON: Well, you know, I don't know anything more about this than what has been reported. And what has been reported is that he filled out an application and sent it to the Justice Department and did not talk to anybody about it. That's all I know about it.

And he certainly did not talk to me about it. I did not know about it until it was, I guess, written about today.

QUESTION: Are you going over any of these pardons now, yourself, to see which one next could possibly create another political problem for you and/or your husband?

CLINTON: You know, I have no idea what is coming next. You know, I was talking to a friend of mine today, and you know, we were just amazed by what has unfolded over the past weeks. I don't have any information. I don't know anything about these.

And if issues are raised, I'm going to be in the same position as I've been in, which is to say that, you know, I was not involved in the decisions. I didn't even know about the vast majority of these things ever being considered. And you'll have to, really, ask the president and his staff who handled all of this.

(CROSSTALK)

QUESTION: ... the \$400,000 your brother received had absolutely nothing to do with the president's decision to pardon these two men?

CLINTON: I believe that's the case. I absolutely believe that's the case. As far as I know, there was no connection whatsoever, and, you know, there was certainly no basis on which I even thought it was going on. And my husband has said that he didn't know that was going on. So as far as I know, there was no connection.

But again, with respect to any of these decisions. You'll have to talk with people who were involved in making them, and that leaves me out. I don't know enough to answer your questions. And I don't want to say anything that leads you to believe that I either know something or don't know something, because I don't. And so you'll have to ask people who were involved in them.

QUESTION: And again, the president's brother, Roger Clinton, did you talk to him?

CLINTON: Did I talk to Roger Clinton?

QUESTION: Was there any discussion of a pardon?

CLINTON: No, but I think that that's one that, you know, was, obviously, particularly personal to my husband. And you'll have to ask him what went into his making that decision.

You know, the pardon power, under the Constitution, is an absolute power vested in the president.

CLINTON: I've learned more about it in the last few weeks than I ever knew about it before. And if you compare my husband's use of it with his predecessors, it's about the same, on the par of the numbers, and in fact less than some. And you could go back, I'm sure, and pick apart any one of these, going back decades. That doesn't in any way excuse the involvement of some people who I think acted inappropriately, and that, you know, is my brother, in this particular case.

But I believe that, again, there is a context for all of this, and it's important to put these things into context. And there have been controversial pardons in our country's past going back, you know, hundreds of years, 100 years. And what goes into the mind of the person who makes the decision is something that is very hard to determine.

But I only can tell you that, based on what I know and what my husband has said, he believed in every one of these instances that it was appropriate to do. You may disagree with that judgment, but that is, you know, that is what he believes. And he's the person who, as he did in his op-ed column last week, will have to tell you what he took into account in making any of these. And really, I can't, you know...

(CROSSTALK)

QUESTION: Former President Carter has said that these pardons and commutations were disgraceful and brought discredit on the process and one of the biggest mistakes that your husband has ever made. So is Mr. Carter wrong?

CLINTON: No. Mr. Carter is someone whom I admire and respect deeply, and he has every right to express his opinion. And I believe that, you know, people will have to make their judgments based on the facts as they are available, and the vast majority of these pardons, so far as I'm aware, have not been subject to controversy, and the ones that are, people will have to make their own decisions.

But there is a very big difference between saying what someone did and why they did it and what their motivation for doing it was and whether you agree with it or not. And, you know, we all I'm sure make decisions in our life that we believe we make for the absolutely, you know, right reasons and right motivations which someone can disagree with. You know, that is, you know, part of life, I think.

So I would just say that anyone can draw whatever conclusions they choose, but ultimately the reasons rest with the president and his staff. And he can put those reasons out and people can say, "Well, I agree or disagree," and that's the way it has to be. And I believe that's, you know, the appropriate context for all of this to be discussed and judged.

(CROSSTALK)

CLINTON: Thank you all very much.

WATERS: **Hillary Rodham Clinton** appearing very at ease answering an enormous number of questions centering around the pardons in the last days of her husband's presidency.

She drew a clear distinction between the involvement of her Senate campaign treasurer in helping obtain last-minute pardons for two convicted felons and the involvement of her brother, who collected nearly \$400,000 for helping secure a pardon and prison commutation for two clients, from President Clinton.

Of her brother, she said she was disappointed, saddened and disturbed by Hugh Rodham's involvement. Hugh Rodham is an attorney. He was involved with the two clients and Bruce Lindsey, a Clinton aide at the White House in securing those pardons. She said, if I'd known, I would have been able to prevent it. She said she did not know until late Monday night about her brother's involvement and had not spoken to him since, or before.

In their statement yesterday, the Clintons said: "Neither Hillary nor I had any knowledge of these payments to Hugh Rodham. We are deeply disturbed by these reports and insisted that Hugh return any moneys received."

Hillary Rodham Clinton says she has not spoken with her brother. We still don't know who insisted that Hugh Rodham return the moneys, which he has done, and there's still much more about the pardon story we don't know: The beat goes on, and we'll continue to tap our foot.

PRESS CONFERENCE WITH SENATOR HILLARY RODHAM CLINTON, 2/22/2001

TOPIC: THE PRESIDENTIAL PARDONS

LOCATION: THE RUSSELL SENATE OFFICE BUILDING, WASHINGTON, D.C.

SEN. **CLINTON:** Hello, everybody. How are you? (Cross talk.) Good afternoon, I guess, now, right?

I understand you have a few questions for me that you might want to ask.

Q Yes.

SEN. **CLINTON:** Who wants to start?

Q Senator, did you ever talk to anybody about the pardons?

Q Senator Clinton, what is your reaction to -- (off mike) -- by your brother in the pardon and clemency issues, first? And secondly, do you think your husband handled these pardons appropriately?

SEN. **CLINTON:** Well, I was very disappointed and saddened by this whole matter. You know, it came as a surprise to me, and it was very disturbing, and I'm just very disappointed about it.

With respect to any questions about the pardons or the president's handling of the pardons, you'll have to ask him or his staff about that.

Q Did you speak in favor of any pardon requests, clemency requests with your husband? And if so, which ones?

SEN. **CLINTON:** You know, I did not have any involvement in the pardons that were granted or not granted, you know, and I'm just very disappointed about my brother's involvement.

Q Senator, did you speak to anyone at all about any of the pardons?

SEN. **CLINTON:** Oh, you know, as I have said in the past, when it became apparent around Christmas that people knew that the president was considering pardons, there were many, many people who spoke to me or, you know, asked me to pass on information to the White House Counsel's Office. I've already said that I did that, and I did. There were many, many people who had an interest, a friend, a relative, but it was all passed on to the White House Counsel's Office, and they, along with the president, made the decisions.

Q What about Roger Clinton in specific? Did he ask for a pardon?

SEN. **CLINTON:** I don't know the answer to that.

Q Did he ask the president for a pardon?

SEN. **CLINTON:** I don't know the answer to that.

Q Why would anyone contact your brother if they were not trying to get access to you and to the president?

SEN. **CLINTON:** Well, you'll have to -- you'll have to ask him. If I had known about this, we wouldn't be standing here today. I didn't know about it. And I'm very regretful that it occurred, that I didn't know about it. I might have been able to prevent this from happening. And I'm just very disappointed about the whole matter.

Q Are you disappointed that Bruce Lindsey didn't tell your husband that he, apparently, had been contacted by your brother?

SEN. **CLINTON:** You'll have to ask the people involved. I don't know anything other than what has now come out. And I did not learn about that until very recently.

Q Senator, what exactly did you not know about? Did you not know that he was representing them? Did you not know about the money? And finally, what about your campaign treasurer, William Cunningham?

SEN. **CLINTON:** Right.

Q Should he also return the fees that he got in regards to other pardons?

SEN. **CLINTON:** Well, let's separate these out. I did not know my brother was involved in any way in any of this. I learned that there were some press inquiries of a vague nature last week sometime. I did not know any specific information until late Monday night, when I was actually in a movie theater and I was called and told that my brother had been involved and had taken money for his involvement.

And as soon as I found out, I was very upset about it and very disappointed about it. My husband found out early the next morning because he was travelling and not available until then to be told. And we immediately said that this money had to be returned. And it has been.

Now, with respect to Mr. Cunningham, I knew nothing about that. But I know that he is, you know, a fine lawyer and a fine man. And I had no knowledge that he was involved, but, you know, lawyers from all over the country were involved in these matters. That has happened in the past. That shouldn't be a surprise to anyone. But you'll have to ask Mr. Cunningham about the details, but I didn't know anything about his involvement at all.

Q What about Mr. Ikes, Mr. Ikes' involvement?

Q Is it inappropriate for somebody -- (off mike)?

SEN. **CLINTON:** I did not know anything about that either.

Q Senator, do you think it's appropriate and necessary for your husband to come before Congress and answer these questions, much like you're doing today?

SEN. **CLINTON:** Well, you'll have to ask him and his staff about that.

(Cross talk.)

Q Senator, was your brother a guest at the White House for the final two weeks of your husband's administration?

SEN. **CLINTON:** He was a frequent guest at the White House, you know, he's my brother; I love my brother. I'm just extremely disappointed in this terrible misjudgment that he made.

Q But during the course of --

Q But are you upset that he took money, or are that he represented these people at all?

SEN. **CLINTON:** Both.

Q Have you spoken to him since yesterday?

SEN. **CLINTON:** No, I have not.

Q Senator why did -- when you first heard the rumors, why didn't you just pick up the phone and ask him about it and express your opinion? And secondly, what does it say about the moral climate fostered among the people closest to you, that this kind of thing could happen, and all the other controversies regarding the pardons?

SEN. **CLINTON:** Well, you know, Tim, I hear so many rumors all the time that, you know, I really -- you know, vague rumors don't mean anything to me anymore after all of the years that I've been here. And as soon as I had anyone with solid information, I immediately acted. But at that point, I did not think it appropriate to call my brother because I didn't want anyone asking what we talked about or putting either him or me in a very difficult position.

So I have not talked with him. And as soon as we found out Monday night, I was heartbroken and shocked by it and, you know, immediately said this -- you know, this is a terrible misjudgment and the money had to be returned. And that's what we worked on. You know, these are very -- you know, this is a very sad matter to me, personally. It was a surprise, but more than being surprising, it was extremely disappointing.

Q What about the second part of the question?

Q What did he say when you asked him to give the money back?

SEN. **CLINTON:** I did not ask him. I did not ask him directly, you know.

Q Who did?

SEN. **CLINTON:** I have not talked --

Q I heard you two had talked.

SEN. **CLINTON:** No, I have not talked -- no, I'm sorry you didn't hear me.

My head was turned the other way. No, I did not talk to him. I have not spoken with him. I do not want to speak with him because, frankly, I didn't want anybody to draw any wrong conclusions about what I might or might not have said to him, so I have not spoken with him.

Q Well, the fact that you're so close, then it seems sort of odd that you wouldn't just --

SEN. **CLINTON:** Well, but I understand how these things are, and once I had solid information late Monday night, I did not think it was in his interests and certainly did not believe it was appropriate for me to speak with him, so I have not.

Q But you were reacting as a lawyer would react --

SEN. **CLINTON:** Well, I was reacting as someone who was extremely disappointed in this whole matter. This was just a very sad occurrence to have happen, and I wanted to be sure that the money was returned, and it has been.

(Cross talk.)

SEN. **CLINTON:** I'm sorry?

Q Do you feel he betrayed a trust? You said you're heartbroken. Were you disappointed with him personally, feel he betrayed a trust?

SEN. **CLINTON:** Well, let me use my own words, and my own words are that I'm disappointed, I'm very saddened, and I was very disturbed when I heard about it.

(Cross talk.)

Q (Inaudible) -- and using their connections with you to have the president, the former president, grant clemency petitions --

SEN. **CLINTON:** Well, it's very regrettable, and it shouldn't have happened, and if I'd had any knowledge or notice of it, I believe I might have been able to prevent it. I don't think we'd be standing here talking about it. But I did not.

Q On the whole broad scheme of things, the number of people --

SEN. **CLINTON:** Well, you know, this -- I mean, this will have to be put into a broader context. It's not for me to do that. You'll have to look at the broad context, compare it with, you know, past actions that have occurred around this constitutional power, and I'm just not going to comment on that.

Q Senator, you've had kind of a rocky start as a senator. How do you put all this scandal behind you and move on as a Senator, in this light?

SEN. **CLINTON:** Well, you know, I'm very disappointed about what's gone on for the last weeks. It is certainly not how I would have preferred or planned to start my Senate career, and I regret deeply that there has been these kinds of matters occurring. And all I can tell you is that I have gotten up every day and worked as hard as I can to be the best senator I can be, and that's what I intend to do.

You know, I'm here today to meet with my staffs both from New York and from Washington about our legislative agenda. We'll be rolling out our upstate economic plans next week.

I've spent a lot of time in the last two weeks traveling around the state, talking with people about what we intend to do.

I'm very much looking forward to President Bush's address to the Congress and his presentation of a budget, and trying to figure out what the impact of that will be on New Yorkers.

So I have my hands full being a senator, learning the ropes, you know, working with my colleagues, dealing with my constituents, and I love doing it. I'm having a really good time doing it. But of course, I'm -- you know, I'm disappointed and saddened that, you know, these matters are up --

(Cross talk.)

Q (Off mike) -- when you found out about your brother's involvement in these cases, how he became involved, and what he did?

SEN. **CLINTON:** I have nothing to add to -- other than his public statement, which was made yesterday.

(Cross talk.)

Q Senator, if the committees investigating the pardons on the House and Senate side wanted to talk to your brother, wanted him to come before the committee, would you encourage him to do so?

SEN. **CLINTON:** He should fully cooperate with any and all inquiries by anyone about this matter.

(Cross talk.)

Q Let me ask you -- just in a broader context, people say, "With the Clintons, it's always something."

SEN. **CLINTON:** Have you noticed that? (Laughs.)

Q Why is that --

SEN. **CLINTON:** I don't know. I wish I knew. I -- look, I think that we are apparently, you know, people who attract a lot of attention, and that's both good and bad. There's no doubt about that.

I think that, you know, the two terms that my husband had as president were good for this country. I think, even standing here today, he did a good job for America, and we had a lot of good, positive things happening.

Obviously, I wish that the last weeks had unfolded differently, and I'm very sorry that they have not.

But all I can say is, now I've got a position and a responsibility that I'm going to do my very best to fulfill to the very best of my ability, and people will have to judge me at the end of my term based on what I do. And that's what I'm going to ask people to do.

(Cross talk.)

Q Senator, the Democrats are all trying to put a distance between themselves and both of you, really, but certainly "the Clintons." Doesn't that make it difficult to defend anything he did over the last eight years?

SEN. **CLINTON:** No.

Q And hasn't it been difficult for the Democrats to rely on his accomplishments because of this?

SEN. **CLINTON:** I don't think so. I mean, I really think that everything has to be put in context, and I know that that's often difficult to do. But I feel that our country is stronger and better because of the Clinton administration.

And yes, there have been difficulties, and there have been problems, and those have to be viewed. And people have to take responsibility for them and have to answer for them, which I certainly think we have done over the last eight years.

But I don't believe that in the view of history this administration will be judged lacking. I think instead there will be very many positive attributes and accomplishments that people will look to.

And I, for one, believe that much of the work that is still to be done in our country has to build on the progress and prosperity of the last eight years. I don't want to change direction. That's one reason why I'm, as a senator from New York, very anxious to see what the administration is going to be proposing on the budget.

These are very big issues that will affect the quality of the lives of the people I represent. And, you know, I think we have a good framework for knowing how to keep the economy going and dealing with people's needs and doing a lot of the other important work of keeping the crime rate down and improving education and health care. I believe that this administration has shown us how to do that effectively.

So I think historically, you have to put everything in context, and I'm someone who believes that overall, the accomplishments are ones that will stand the test of time and history.

Q What made you finally speak out today? And what do you hope to accomplish by speaking out?

SEN. **CLINTON:** Well, you know, I found out about this, as I said, late Monday night. And, you know, it's 48 hours later, I guess. And I know that people have questions. I believe I have an obligation as a public official to answer those questions. And so this was my earliest opportunity to do that.

Q Senator, an interior decorating question for you?

SEN. **CLINTON:** (Laughs.)

Q Today some tables, some furniture was delivered to your house -- (off mike).

SEN. **CLINTON:** Right. Right.

Q Anything to do with Denise Rich?

SEN. **CLINTON:** No, my dear, nothing to do, not at all.

Q Senator, did you ever have a discussion with your brother, notwithstanding his professional involvement, about pardons or commutations? And the same question as regarding Bruce Lindsey.

SEN. **CLINTON:** No, I did not. You know, I don't have any memory at all of ever talking to my brother about this. You know, that's my best memory. And, you know, this was -- I have to say, and I will repeat once again, information was coming to me, information was passed on. So if -- you know, if I said -- information came people wanted you to look at, I might have said that. I just don't remember any further than that.

Q Is it fair to say that it's not inconceivable your brother --

Q (Inaudible.)

SEN. **CLINTON:** To the counsel's office.

Q So your brother may have spoken to someone who then spoke --

Q (Inaudible.)

SEN. **CLINTON:** No, I mean, it was just passed on.

I'm sorry?

Q So your brother may have spoken to someone who then spoke to you?

SEN. **CLINTON:** No, not about any involvement of my brother. No, I want to make that 100 percent clear. I don't want you to try to put words in my mouth. I knew nothing about my brother's involvement in these pardons. I knew nothing about his taking money for his involvement. I had no knowledge of what whatsoever.

Q Why specifically are you disappointed in your brother? What is wrong with him taking -- (off mike). And secondly, why are you not disappointed at all, or are you, in your treasurer of your campaign also representing?

SEN. **CLINTON:** Well, I think that, you know, you really have to draw a distinction, which I hope the press can do, between lawyers who are doing their job and going through, as I understand it, the ordinary course of business on these matters, and a family member. I think it's a very big difference.

And, you know, if he were, you know, Joe Smith from somewhere, who had no connection with me, we wouldn't be standing here, would we? So I just think you have to -- you have to see it in context. That's what I keep asking people to do, is put these things in context, and there's a very big -- very big difference.

Q (Inaudible.)

SEN. **CLINTON:** Yes. Yes.

Q In the past, you have sometimes blamed your political enemies for your troubles. Do you in any way blame them for this?

SEN. **CLINTON:** Not at all. Not at all.

Q Who do you blame?

SEN. **CLINTON:** You know, I mean, I've said that I think my brother made a terrible misjudgment.

Q But Senator, in the past few years, the Democrats by and large have really stood by you and your husband over everything that's happened, and for the first time we kind of see Democrats not standing by you and really coming out against the actions, both on the

pardons and the gifts that you all received. Why do you think that is, and what do you think about that?

SEN. **CLINTON:** Well, you know, I can't speak for anybody else and I'm not going to speculate on anybody's, you know, feelings or motivations. But, you know, I think it's understandable. And what I want to try to do is answer any questions anybody has for me and give you my best information and then let people make their own judgments.

(Cross talk.)

Q What do you mean, it's understandable?

Q Since Bruce Lindsey was key in negotiating all of these and many other partners, why can't you blame him for some of the fallout on this?

SEN. **CLINTON:** I don't blame anyone for this right now. I think we don't -- you know, we don't need to be making judgments about this. We don't -- I don't personally have any information. I think that it's regrettable that my brother was involved at all and I'm very sorry that he was.

Q Senator, has your brother --

Q Did he ever speak to you about the pardons?

SEN. **CLINTON:** No. No, he did not.

Q Have you asked your husband whether -- what kind of contact they had?

SEN. **CLINTON:** You know I never talk about conversations with my husband, Vince.

Q But even if this was a question that's being investigated, have you sat down, at least, even if you don't want to say what you talked about, have you sat down with your husband and said, What went on?

SEN. **CLINTON:** You will have to ask the president and his staff any specific questions about any pardons that were or were not granted.

Q Senator, was Marc Rich among the people that you passed information on?

SEN. **CLINTON:** No. You know, I never knew about Marc Rich at all. In fact, I don't even -- you know, frankly, people would hand me envelopes. I would just pass them. You know, I would not have any reason to look into them. I didn't -- I knew nothing about the Marc Rich pardon until after it happened.

Q Senator, had your brother been warned at all to avoid this kind of thing after the episode with the hazelnuts?

SEN. **CLINTON:** I don't know the answer to that. I'm certainly -- I believe so, but I don't know the answer to that.

Q Senator, do you think your husband made a mistake in pardoning Marc Rich?

SEN. **CLINTON:** You know, I know that other senators have commented on this, and I think you might understand why I'm not going to have any comments on any of the pardons, on the merits or demerits that might surround any of these pardons.

Q Some of your Democratic colleagues, Senator, suggest that your husband has become a distraction to the agenda for the Democrats. Do you think that our husband has begun to take the spotlight away from the Democratic agenda here on the Hill?

SEN. **CLINTON:** Well, I think that the Democratic agenda is the agenda that Democrats on the Hill set. I believe that -- it's clear to me that both the House Democrats and particularly the Senate Democrats, because of the 50-50 split, are the leaders of the Democratic agenda, and I think that's what people expect, and that's what we're going to try to deliver.

Q Senator, just to clarify something, you don't think there's anything inappropriate about what Mr. Cunningham did?

SEN. **CLINTON:** I don't know any facts. But I just must say that there's a very big difference between whatever he did and my brother being involved. And I know Mr. Cunningham is a, you know, fine person and a good lawyer. And I know lawyers prepare and process pardon applications. So I'm not going to make any statement of any kind about something I know nothing about, other than to please ask you to make a distinction between a gentleman with, you know, Mr. Cunningham's background and experience and my brother, who, you know, as a family member, should not have been involved in these -- this situation.

STAFF: One more. One more.

(Cross talk.)

Q (Off mike) -- a person who's handling their campaign finances is also pushing pardon matters before the president you're married to? Doesn't that send a signal?

SEN. **CLINTON:** Well, you know, I don't know anything more about this than what has been reported. And what has been reported is that he filled out an application and sent it to the Justice Department and did not talk to anybody about it. That's all I know about it. And he certainly did not talk to me about it. I did not know about it until it was, I guess, written about today.

Q Senator Clinton, are you -- (inaudible) -- any of these pardons -- (inaudible) -- which one next could possibly create another political problem for you and/or your husband?

SEN. **CLINTON:** You know, Linda, I have no idea what's coming next. (Laughter.) You know, I was talking to a friend of mine today, and, you know, we were just amazed by, you know, what has unfolded over the past weeks. I have not -- I don't have any information, Linda. I don't know anything about these. And, you know, if -- and if issues are raised, I'm going to be in the same position as I've been in, which is to say that, you know, I was not involved in the decisions; I didn't even know about the vast majority of these things ever being considered; and you'll have to really ask the president and his staff who handled all of this.

STAFF: One more. One more.

Q You didn't speak to Roger Clinton at all?

(Cross talk.)

Q Senator, can you say with confidence -- Senator, can you say with confidence that the \$400,000 your brother received had absolutely nothing to do with the president's decision to pardon these two men?

SEN. **CLINTON:** I believe that's the case, absolutely believe that's the case. As far as I know there was no connection whatsoever. And, you know, there was certainly no basis on which I even thought it was going on. And my husband has said that he didn't know that was going on. And so, as far as I know, there was no connection.

But you know, again, with respect to any of these decisions, you'll have to talk with people who were involved in making them. And that leaves me out. I don't know enough to answer your questions, and I don't want to say anything that leads you to believe that I either know something or don't know something, because I don't. And so you'll have to ask people who were involved in them.

Q And again, the president's brother, Roger --

SEN. **CLINTON:** Right. Right.

Q Did you talk to him? Did you mention anything about a pardon? Was there any --

SEN. **CLINTON:** Did I talk to Roger Clinton?

Q Was there any discussion of a pardon?

SEN. **CLINTON:** No, but I think that that's one that, you know, was obviously particularly personal to my husband, and you'll have to ask him what went into his making that decision.

You know, the pardon power, under the Constitution, is an absolute power vested in the president. I've learned more about it in the last few weeks than I ever knew about it before. And if you compare my husband's use of it with his predecessors', it's about the same on the par of the numbers and in fact less than some. And you could go back, I'm sure, and pick apart any one of these, going back decades.

That doesn't in any way excuse the involvement of some people who I think acted inappropriately, and that, you know, is my brother in this particular case.

But I believe that, again, there is a context for all of this, and it's important to put these things into context. And there have been controversial pardons in our country's past, going back, you know, hundreds of years -- a hundred years. And what goes into the mind of the person who makes the decision is something that is very hard to determine. But I only can tell you that based on what I know and what my husband has said, he believed in every one of these instances that it was appropriate to do. You may disagree with that judgment, but that is -- you know, that is what he believes. And he's the person who, as he did in his op-ed column last week, will have to tell you what he took into account in making any of these. And really I can't, you know --

Q Do you agree with these pardons --

Q Thank you, Senator. Thank you, Senator.

(Cross talk.)

Q Former President Carter has said that these pardons and commutations were disgraceful and brought discredit on the process, and one of the biggest mistakes that your husband has ever made. So is Mr. Carter wrong?

SEN. **CLINTON:** No, Mr. Carter is someone whom I admire and respect deeply, and he has every right to express his opinion. And I believe that, you know, people will have to make their judgments based on the facts, as they are available. And the vast majority of these pardons, so far as I'm aware, have not been subject to controversy, and the ones that are, people will have to make their own decisions.

But there is a very big difference between saying what someone did and why they did it and what their motivation for doing it was, and whether you agree with it or not. And, you know, we all, I'm sure, make decisions in our life that we believe we make for the absolutely, you know, right reasons and right motivations, which someone can disagree with. That -- you know, that is, you know, part of life, I think.

So I would just say that anyone can draw whatever conclusions they choose, but ultimately the reasons rest with the president and his staff. And he could put those reasons out and people can say, well, I agree or disagree, and that's the way it has to be. And I believe that's, you know, the appropriate context for all of this to be discussed and judged.

STAFF: Senator -- (inaudible).

SEN. **CLINTON:** What?

STAFF: We have to get on to the meeting.

SEN. **CLINTON:** Thank you all very much.

Q What are you going to say to your brother the next time you speak to him?

END

U.S. SENATOR PETE DOMENICI (R-NM) HOLDS HEARING ON PRESIDENT BUSH'S FISCAL YEAR 2002 BUDGET PROPOSAL,

CLINTON: Secretary O'Neill, I'm going to leave the debate about the important issues concerning how this matter proceeds to the chairman and ranking member and Senator Byrd and others who have a great deal of experience in this arena.

As a new senator, I am still struggling to get to what Senator Byrd aptly referred to, and that is a factual basis on which to make a decision. I think it's fully appropriate for us to have a vigorous and full debate about the president's proposals, but that debate should be informed by at least a consensus about what the factual parameters are. Do you agree with that, Mr. Secretary?

O'NEILL: I do.

CLINTON: And what I'm concerned about is that, with the blueprint and not yet a budget, there is much room for disagreement about those factual parameters. We heard one reference already to a program that Senator Sarbanes said was being cut. That's a value issue as to whether or not the program is appropriate.

I know from some other work that I've been doing that there is also some revenue assumed in the budget. I believe, just as an example, there's a revenue assumption of \$1.4 billion or \$1.6 billion for revenues that would flow from drilling in the Arctic wildlife refuge, which is...

O'NEILL: That's true.

CLINTON: Is that true?

O'NEILL: Yes.

CLINTON: So if one takes the value judgments on the side of programs, with their impact, and one takes potential revenue projections, there is room, I believe, for some misunderstanding -- legitimate misunderstanding about what the true figures might be that we're dealing with.

And I was just handed a score comparison that's been done. The OMB score on creating the new 10 percent tax bracket is \$311 billion. A new joint tax projection score is \$383 billion. The OMB score on reducing the upper rates is \$501 billion. The joint tax score is \$559 billion. And those are just two elements of the tax plan, which, based on the joint tax projection, would make it \$130 billion more than what it's been scored by OMB. I have no opinion about the legitimacy of that scoring. I'm just pointing out that part of the reason why we think it's imperative, not just convenient, but imperative to understand what we're doing, rests on our desire to make good decisions.

And I share Senator Byrd's opinion that I certainly am not approaching this in a partisan manner. I'm approaching it with the hope that we can continue and even build on economic progress of the last eight years, that you referred to.

So I would hope, Mr. Secretary, that you would understand the legitimate questions that we are raising, because we're attempting to come to a position where we know what the facts might be.

And along those lines, I just want to be sure that I'm clear. The \$1.6 trillion that the president has proposed, does it or does it not include any AMT reform?

O'NEILL: The AMT that's provided for in the way the \$1.6 trillion is structured, really avoids an AMT effective significance for people with incomes under \$100,000, because of the

inclusion of the child credit. So that, for the most part, we're not going to be throwing people into AMT.

But what I have been saying, as I've testified to various committees, if there's an interest in dealing in a more complete way with AMT, which has now been on the books for a very long time, and there's a preference to dealing with the AMT in lieu of a rate of phase-in for the proposed tax increases, it's a decision we can certainly talk to the members about.

CLINTON: But that is one of those decisions that I would hope we would talk about in the context of this debate, because, clearly, the real cost then would be higher. I would assume you'd agree with that.

O'NEILL: I would.

CLINTON: I'm also...

O'NEILL: Or result in a slower phase-in.

CLINTON: Well, it could be done either way. But again, we'd have to have an agreed upon factual basis on which to make sure a decision.

As I listen to your response to some previous questions, with respect to the projected \$600 billion in additional revenues, I would think that, sort of, shorthand what you'd describe is a very clear explication of, really, supply-side theory about how one does increase that kind of revenue through tax cuts. You're shaking your head no, so what is the difference?

O'NEILL: No, I wouldn't agree with you at all for this reason. The idea of supply-side is a fairly recent phenomenon, really began to gain currency as way of identifying a set of ideas about economic thought, you know.

Now dating myself, but when I went to get my undergraduate degree in economics, I learned about multiplier effects in 1957, and it's Alfred Marshall's idea from 1898. It's not something that happened in 1980.

CLINTON: I would agree with that. But certainly within the context of the last 20 years, when we're applying it to public sector decisions, with respect to tax cuts, there's been a shorthand that's been used, as to what the revenue impact of large tax cuts would be. And that shorthand was certainly used to describe the impact of the 1981 tax cuts. And with respect to deficits, would you agree that the projections are wrong?

And I understand what you have said, which is that, you know, revenues doubled and spending tripled.

CLINTON: But with respect to deficits, as I recall, in 1981, there was a projection that we would be in a surplus in three years based on the projections as to what would be produced for the public revenues.

O'NEILL: No, I don't think so. I think if you go back and examine the history, what you find is something I objected to very strongly at the time, what some people call the magic asterisk -- I call the flying asterisk. There was, I think it was on page 27 of the documents that were submitted in March of 1981, and it said, with a little asterisk, "to be identified later," \$42 billion worth of program cuts that were never identified.

It didn't have anything to do with dynamic scoring or supply-side economics, it had to do with never producing the spending cuts that were recommended that we ended up with this burgeoning deficit problem.

CLINTON: But, Mr. Secretary, I guess that partly makes our concern is that there seem to be a lot of asterisks in this budget.

O'NEILL: I don't think so.

CLINTON: Well, we don't have a budget, but in a blueprint. We may not have an actual asterisk, but in looking through it, there certainly are a lot of issues that have not yet been fully explored or explained that may or may not deserve an asterisk.

And from our perspective, it's very difficult to reconcile -- to use that word -- the experience of 1981 with the experience that we're being confronted with 20 years later and not to have caution lights. Because whether it's fair or not, there are differences in beliefs about what we should spend our public dollars on. And we will have some vigorous debates about that.

But to use those debates in an effective manner, to set priorities for our nation, we have to fulfill our responsibility of having a budget in front of us which puts forth the president's values so we can respond to those.

And there are two large unanswered questions. One has already been raised: national defense spending. You'll find a lot of support for appropriate increases in making sure we're fully ready. The president said there's going to be a Social Security commission which may or may not come forward with recommendations.

But we're being asked to consider those and put those off under an asterisk to be considered later, more money for defense, possible more money for Social Security in the context of a \$1.6 trillion -- and I would argue greater -- tax cut.

And that's why we're very concerned about all of us reaching an understanding as to what the policy debate is really about. And the only way we know to get there is to have the facts in front of us, and it seems, you know with all respect to the administration, a little backwards to go for the big tax cut before we have the budget, before we have the defense spending review, before we have the Social Security commission, which may entail additional revenues.

And I know from your private and public sector experiences, you understand and appreciate the good-faith inquiries that were making to try to reach some understanding.

Thank you.

PRESS CONFERENCE WITH SENATOR HARRY REID (D-NV), SENATOR THOMAS CARPER (D-DE), SENATOR HILLARY RODHAM CLINTON (D-NY), AND SENATOR JOSEPH LIEBERMAN (D-CT), 3/14/2001

TOPIC: PRESIDENT BUSH'S REVERSAL ON THE CARBON DIOXIDE RULES

LOCATION: THE CAPITOL, THE SENATE RADIO/TV GALLERY, WASHINGTON, D.C.

SEN. REID: Thank you, everyone, for waiting for us.

We're here representing the Democrats in the Environment and Public Works Committee. Joe Lieberman is the chairman -- ranking member who was chairman for 17 days of the subcommittee that has jurisdiction over clean air.

You know, it seems to me very important that we teach our children to tell the truth, to always be a person of their word. If -- in the business that we're in, if someone doesn't live up to their word, they're castigated and looked upon very -- in much disfavor.

Yesterday's example on the Senate floor: There was a situation that came up where there was a question as to whether or not there was going to be a vote on an amendment. We went back and read the Congressional Record, and a senator had represented that there would be a vote. Even though that senator may not have had authority to do and say what

he did, the majority, the Republicans, acknowledged that he had said that, and we had a vote on that amendment.

The reason I give you this little background is, I think that we have to set examples for the people we represent. We have to be people of our word.

During the last presidential campaign, every place that George W. Bush went where there was an environmentalist in the crowd, he acknowledged that he was going to do something to make sure that he took care of carbon dioxide. He said that he was going to change the standards; we had to be aware of this thing called global warming. And as soon as he selected his Cabinet nominees -- for example, Governor Christie Todd Whitman gave this long statement where she supported what the president was going to do. She said it was important -- the head of our Environmental Protection Agency.

Well, lo and behold, we all learned yesterday, late in the day, that the president had written a letter to certain senators saying that he no longer was going to live up to his word. Well, I'm terribly disappointed. I'm terribly disappointed because I think it sets an example that we shouldn't have, where someone on a major, major issue -- there isn't -- there may be something more important to the environmental community than global warming; I don't know what it is.

Anyone that says global warming is not taking place hasn't read a newspaper, looked at a magazine, or talked to a scientist.

Well, our president has backed down on his word. I think it's very bad for our country. I think it's bad for the world generally. I think that it's going to make us -- make it harder for our committee. I know that the chairman of the committee, Senator Smith, believes that we need to do something about these pollutants, this one in particular. I haven't personally discussed this with him, but I'm confident that we're going to continue to work on this committee to do something about these pollutants, this one in particular.

So I would hope this carbon dioxide "read my lips" statement that President George W. Bush made is one that perhaps -- perhaps -- the Congress can do something about. We need to work very hard. This is an important environmental issue, and we're going to do everything that we can, working on a bipartisan basis with people of goodwill -- Senator Jeffords, Senator Voinovich, to name two Republicans, including Chairman Smith -- I know that my friend is talking about introducing legislation tomorrow with Senator Jeffords. It's something I haven't personally studied, but I'm certain, knowing the work you do on all issues, that it's a step in the right direction.

I'm happy to introduce the ranking member of the Subcommittee on Clean Air in the Environment and Public Works Committee, Joe Lieberman.

SEN. LIEBERMAN: Thank you, Harry. Thanks for your leadership in this matter, on this committee. And it's a pleasure to be here with Senator Clinton and Senator Carper.

This, after all, is about leadership. We're all here today to express our deep disappointment with the change of position announced by President Bush on the regulation of carbon dioxide emissions from power plants.

During last fall's campaign, in which I had more than a passing interest -- (soft laughter) -- and a particularly good seat to watch and listen to what was happening, I must tell you that I was impressed by the pledge that then-Governor Bush made that he would take strong steps to reduce pollution from power plants, including carbon dioxide. That was an act of leadership, a sign that President Bush was prepared to stand up to private polluters to protect the public interest.

And since he became president, he and others in his administration have continually said he would stay that course. Just last week, in fact, EPA Administrator Christie Todd Whitman represented to the international community in Trieste, Italy, that this initiative would be the

United States' chief domestic tool for addressing global climate change, about which there is so much concern around the globe.

Now, just a few days later the Bush administration sadly has flip-flopped, apparently under intense pressure from special interest groups aligned against what candidate Bush said he would do. The president and his team have really made a 180-degree turn on their position here, suggesting now that CO₂ is somehow A-OK. And I cannot resist saying that I'm sure this turnaround will lead many people to wonder whether the White House was just feeding us hot air about global warming.

But this is honestly about much more than broken campaign promises or political double-talk. In this case, turnabout is foul play and will mean foul air.

The science on the threat of global warming, as Harry said, has never been clearer or more convincing. It's just in recent weeks that the United Nations Intergovernmental Panel on Climate Change, known as the IPCC, released its third report on global warming which concluded that the earth is slowly overheating and is in serious distress and danger as a result. According to this report, done by 700 expert scientists from around the globe, unless we find ways to stop global warming, the earth's average temperature can be expected to rise between 2.5 and 10.4 degrees Fahrenheit in this century.

Now, those are astounding numbers. And they would radically alter the earth's landscape in ways that will jeopardize the health and safety of millions and millions of people on earth. Sea levels could swell up to 35 feet, according to this report, potentially submerging millions of homes and coastal properties. Precipitation would become more erratic, leading to droughts that would make hunger an even more serious global problem than it is today. Diseases such as malaria and dengue fever would spread at an accelerated pace. Severe weather disturbances and storms triggered by climatic phenomena such as El Nino would be aggravated by global warming and become more routine.

This is a real and serious problem, one of the most consequential that we face in our time and in the years ahead.

Well, to help respond to this threat, a bipartisan group of us here in Congress have been engaged in very sincere and hard work to draft legislation that would have effectively kept President Bush's campaign pledge. In fact, tomorrow we intend to introduce that legislation that would set practical limits on the power-plant emissions of carbon dioxide and three other major air pollutants: sulfur dioxide, nitrogen oxides and mercury. And remember, this will provide industry with the flexibility and certainty they need to make business decisions while strengthening the protection of public health and the environment.

We thought that President Bush had pledged to be our partner in this initiative. We now know differently. But even in light of yesterday's presidential flip-flop, we will push forward on this bipartisan path with a renewed sense of purpose. Global warming is a real threat to us, our children and our grandchildren. It must be confronted now. President Bush had his chance. He has not led. Now it's up to we here in Congress to lead, and I am confident I will.

Senator Carper? Senator Clinton?

SEN. **CLINTON:** Thank you so much. And I look forward to cosponsoring that legislation that you've worked so hard on to introduce tomorrow.

You know, last September during the presidential campaign, in Saginaw, Michigan, candidate George Bush said -- and I just happen to have the Bush-Cheney Web page about announcing a comprehensive national energy policy -- and I quote: "We will require all power plants to meet clean-air standards in order to reduce emissions of sulfur dioxide, nitrogen oxide, mercury and carbon dioxide." Now, yesterday President George Bush said, and I quote: "I do not believe that the government should impose on power plants mandatory emissions reductions for carbon dioxide."

A promise made and a promise broken. In less than eight weeks in office, President Bush has gone from CO-2 to "see you later."

The overwhelming consensus of scientists around the world is, as Senator Lieberman so well stated, that the global warming crisis is real, it is caused by carbon dioxide emissions, and if we don't do something about it, we will all experience severe environmental consequences. Now, that is of great concern to all of us, but particularly to coastal states like Connecticut and Delaware and New York.

In changing his tune about environmental protection, President Bush has left his EPA commissioner, Governor Christie Todd Whitman, out on a limb. On several occasions she has repeated the president's campaign pledge, including to the Environment and Public Works Committee, as well as recently at the international conference, that this administration would lead the way in reducing carbon dioxide emissions. Apparently, she did not have any idea that her boss had other plans in mind.

Treasury Secretary Paul O'Neill has said that if we fail to act on this problem, it amounts to a, quote, "real danger to civilization." And I don't think anyone who's met or seen the secretary in action thinks that he's a man much given to exaggeration. This is clearly a very deeply held conviction based on the work that he's done in the private sector for so many decades.

But what concerns me more is not the fact that President Bush has abandoned his own Cabinet secretaries; it's the fact that he has abandoned his commitment to leave no child behind, because the real victims of global warming will be our children and their children, who will live with the environmental consequences of this administration's neglect. I know the president is in favor of eliminating the inheritance tax, but this policy reversal on global warming amounts to the imposition of a new inheritance tax on those who will inherit the Earth.

It also concerns me because of the impact on America's leadership on environmental protection. How can we go to a global conference on global warming and fight to have other nations combat this environmental threat if we aren't willing to take steps in our own country to deal with this problem? I posed this question to Secretary Powell when he appeared before the budget Committee today, because to me, the president's flip-flop in effect gives to all other nations a license to pollute. The consequences of this decision are so grave and long-lasting that we hope that the president and his advisers -- particularly the vice president, who apparently leads the administration efforts on energy, the environment and the economy -- will take a second look at this pledge that was made during the campaign and reconsider the implications of reversing it.

SEN. REID: We will be happy to take questions now.

SEN. LIEBERMAN: Tom hasn't spoken yet.

SEN. REID: Hold it. Tom? (Laughter.) Well, that's how they don't follow my instructions because --

SEN. CARPER: I yield to the gentle woman from --

SEN. **CLINTON**: He pushed me onto the stage, basically. (Laughter.) I think he wanted a clean-up hitter. (Light laughter.)

SEN. CARPER: I'm not here to talk about the greenhouse, I'm not here to talk about carbon dioxide, I'm just here to announce that this weekend Hillary and I get to move out of our broom closet in the basement -- (laughter) --

SEN. **CLINTON**: (Laughs.)

SEN. CARPER: -- of the Dirksen building. And we'll have, like, a real office. We'll be adults. We'll be grown-ups, and --

SEN. **CLINTON:** (Laughs.) This is very exciting.

SEN. CARPER: -- it's pretty exciting. Less than three months after we took office we'll have --

SEN. **CLINTON:** (Laughing.) We're the only ones left. (Light laughter.)

SEN. CARPER: I know we are. Corzine, he's moved uptown. And we're still down there in the dregs.

SEN. **CLINTON:** (Laughs.)

SEN. CARPER: During the last campaign there were a number of things -- and I probably shouldn't say it with my Democratic colleagues here, but there were a number of things proposed by then- Governor Bush that then-Governor Carper agreed with. I liked his proposals on education reform. I suspect we all did. If we're going to invest -- we ought to invest more money in our schools, we ought to provide more flexibility to the schools and school districts who get that money. We should demand results if we're going to provide greater funds and more flexibility. We ought to empower parents to have more choices in where their kids go to school. I thought that was a good idea. He said we should do those things, and as president he's leading the charge to do it.

As a candidate for the presidency, he outlined an approach that would attempt to provide health care coverage to some of the 40-plus million Americans who don't have it, and what he said we should do is to offer families a refundable tax credit worth as much as \$2,500 a year to bring health care coverage within range of a lot of folks, millions of those people who don't have health care coverage today. He said that was a good idea, and he actually reiterated it again in his State of the Union message a couple of weeks ago.

Governor Bush also talked about the need to seriously address bringing carbon dioxide emissions under control. This governor a couple of months ago applauded when I heard him say those things. He has kept his word, as best I can tell, on education reform; he's kept his word, as best I can tell, on a refundable tax credit for health care. But it would appear to me, at least, that he has succumbed to some intense pressure from across the country, maybe from other industries that have led him to change his position on this particular matter. And I think that's unfortunate.

And what's important is he feels those pressures to change his position, to reverse his position in this important area. I think it's critical for those of us who have an entirely different view, who regard carbon dioxide emissions and greenhouse gases and the overheating in our atmosphere and ever-larger ozone, if we -- those of us who regard it as serious -- serious matters for our planet, we have to speak up and be as loud and as persistent and hopefully as persuasive as those who have leaned on the president to get him to change his view.

The last thing I'd say: A fellow who used to be governor of the state that Senator Clinton now represents, Governor Cuomo, used to say that we campaign in poetry, but we govern in prose. He'd say we campaign in poetry, and we govern in prose.

There were elements of Governor Bush's campaign for the president where he campaigned in poetry, that made a whole lot of sense to this governor.

SEN. LIEBERMAN: Now you tell me! (Laughter.)

SEN. CARPER: I voted for you, pal!

SEN. LIEBERMAN: (Off mike.) (Chuckles.)

SEN. CARPER: I voted for you. (Laughter.) No dimpled chad. I mean, it was a straight vote. (Laughter.)

(Laughing.) It was a clean and clear vote for you. (Laughs.)

But you know something? When we get here in Washington, and it's time to work with the prose, something -- all of our syntax has slipped a bit here, and we get -- we need to get back to a little bit of that poetry. And part of our job, as Democrats and Republicans, in the legislative branch, is to make sure that we do. Thank you.

SEN. LIEBERMAN: Thanks, Tom.

SEN. REID: We'd be happy to take questions that any of you might have.

Q Senator Lieberman, what kind of chance do you think your bill's going to have, and what kind of support? What kind of prayer does it have to pass this sort of Republican Senate, Republican House?

SEN. LIEBERMAN: Yeah. Well, we ask for everybody's prayers. There's no question about that. (Laughter.)

Look, the details of the bill we'll announce tomorrow. What's significant is that this is a bipartisan group of co-sponsors from the Senate and the House. And I think it reflects a growing recognition that climate change is a real problem. And that's not just a recognition among members of Congress. In fact, I think the American people are way ahead of members of Congress in their understanding that something unusual is happening to the planet, to the weather, and that we have a responsibility to try to do something about it now.

To do something means changing, and naturally, groups that have to change resist that change. But that's where leadership comes in, and that's what's so profoundly disappointing about the reversal that President Bush has made. The position he took during the campaign on controlling carbon dioxide emissions from power plants was an act of leadership, and it's very disappointing to see him abandon that position of leadership.

But we can pick it up now. And I think with the kind of support we expect from environmental groups, with what we think is a creative approach -- and I'm going to save the details till tomorrow, but it's a creative approach that builds on some of the most innovative parts of the Clean Air Act, and it's not kind of command-and-control environmental protection; it's more market-based, incentive-based controls -- then I think we've got a decent chance.

So I'm not kidding myself; we're fighting against some strong interest groups here.

But I would note that there are some businesses who will be in favor of this because they know this is a problem, they see other jurisdictions around the country acting, and they prefer, I think, a national solution, a national answer to the problem that will be consistent and that they can learn to live with. So it's a battle, but this is a battle worth waging. I mean, this is one of the most critical problems that I think any of us in Congress will face in the time we're privileged to serve here, and I hope we're going to show some leadership on it.

SEN. REID: Joe, the question was directed toward you, but I think, in that it's your bill, I think I would like to comment now what I think will happen on our committee.

We really have an outstanding committee. It is a bipartisan committee, as indicated, the way we reported out the brownfields legislation last week, where we had basically three dissenting votes out of 18. We have a very progressive committee. I think we're going to look at Senator Lieberman's bill very closely. And I really believe, Joe, we can report it out of our committee. I don't know all the details, as I indicated, but we have a broad consensus in our committee that we need to do something about this global climate change that's taking place.

And I think this is -- what I indicated in my initial statement, we need to do things dealing with the environment on a bipartisan basis. Our committee is nine to nine, and we think that we're going to work together on legislation like Senator Lieberman has, put it on the Senate floor and let people there make a decision what they want to do.

Q So why are there no Republicans from the committee here?

SEN. REID: Well, because I didn't ask any of the Republicans to come.

Q How come? You need their support.

SEN. REID: Well, maybe that's true, but let's be real -- let's be very clear in understanding. I don't think you're going to get a single Republican to come here and criticize what their president has done. That doesn't mean they can't do good work in the committee. You're not going -- as strong on these environmental issues as Senator Smith has been, he's not about to come and say that his president was not telling -- that he's flip-flopped -- (laughter) -- that he's disappointed the American public, that he has set an example that's not very good. I don't think we're going to hear any Republican say that. And I've been around long enough to not ask any of them to come to --

SEN. LIEBERMAN: But they'll be here tomorrow for the presentation of the proposal for the future.

Q The same groups that influenced the president to make this flip-flop are behind drilling in ANWR and boosting the generation of fossil fuel energy.

SEN. REID: No kidding. (Laughter.)

Q What does this change have to say about the political climate as you debate the energy bill?

Q If they can muscle the White House, why can't they muscle senators?

SEN. REID: If they can muscle the White House, why can't they muscle senators? Well, they only have to deal with one person down there, here they've got --

No, seriously -- (light laughter) -- I think that this is an issue that we're going to have to take the leadership on. I don't think that we can talk about why it happened down there. We can all write whatever conclusion we want. All I know is that we're committed in this committee on a bipartisan basis to do things about the environment. It's the Environment Committee. And we're going to do things about the environment including global climate change, and we're going to do it on a bipartisan basis.

Q What does it say, though, about any energy bill that's likely to come out this year?

SEN. REID: Well, there may be some things that we send -- I hope we can send some things to the White House that he's going to have to make a tough decision on. I think that -- you know, we realize that we no longer have the White House. We understand that. But I think if we send him a bill dealing with brownfields -- now, he has said in the past that he would support a brownfields legislation. This is legislation that deals with Superfund. It's a very, very critical legislation to our country. I think the president will sign that. I would hope that he wouldn't flip-flop on that. There are a number of other issues that we feel that we can change what is going on in the country today. One of those is global climate change. I think it would be a terrible, terrible legacy for this Congress if we didn't do something about global climate change. It's happening before our eyes.

Q Senator Clinton, does this decision impact or change any policies from the previous administration, and what would Al Gore -- what did he commit to do differently on this subject?

SEN. **CLINTON**: Well, I should call on the expert on that. (Light laughter.)

SEN. REID (?): His running mate.

SEN. **CLINTON**: Yes. His running mate.

Well, let me just say briefly before Joe responds, there was a great commitment in the previous administration, which certainly the vice president had a leading role in shaping,

that we should sign the Kyoto protocol, that we should try to negotiate with other nations around the world to deal with carbon dioxide. And I think there was a very realistic assessment by the president and the vice president that the cap and trade market-oriented strategy would be an appropriate way to try to tackle this problem. What's unfortunate about this decision based as -- best we can tell is that that's even rejected. So that it's not only a mandatory emissions standard that's rejected, but it's also the market-based proposals that we think are really productive that should be followed. And I'll let Senator Lieberman respond specifically.

SEN. LIEBERMAN: Real briefly, I mean, I think you all know Al Gore in some ways wrote the book on global warming and global climate change.

And I was in Kyoto three-plus years ago, and there was tremendous gridlock there. And when the vice president arrived, he played a critical role in getting us to the point where actually we could adopt the Kyoto protocol. So I have no doubt -- and it pains me some to speak wistfully of the -- of this, but a President Gore definitely would have supported the four-pollutant bill -- control bill that we're going to introduce tomorrow.

SEN. REID: Joe, one thing, just to elaborate on the question that was asked, what -- has this done to change what the Clinton administration has done? Let's take it back one administration. What has it done to change the Bush administration? As you know, his father signed the U.N. framework on climate change, which was the beginning of our being obligated to do something about climate change. So I think the son should talk to the father about how he's not even living up to what his father did during the time he was president.

SEN. CARPER: Could I -- just to comment on a lighter note, maybe, as we close, have any of you ever gone to the beach --

SEN. REID: You always have to ruin everything! (Laughter.)

SEN. CARPER: Have any of you ever gone to the beach over in Delaware or in Maryland on the Eastern Shore?

SEN. : Sure.

SEN. CARPER: If we don't do something about global warming -- and a part of that is carbon dioxide -- you're going to have a lot shorter drive to get to the beach. (Laughter.)

SEN. REID: That's true.

SEN. CARPER: We spent a fair amount of money, good money, to replenish the beaches from Cape Henlopen on down to Ocean City, Maryland. And --

SEN. REID: Re-landscape --

SEN. LIEBERMAN: That was definitely poetry. (Laughter.)

SEN. REID: Thank you all very much.

SEN. CARPER: (Laughs.) I'm coming to the prose. (Laughter.) All right. Thank you very much.
END

U.S. SENATOR PETE DOMENICI (R-NM) HOLDS HEARING ON THE FISCAL YEAR 2002 STATE DEPARTMENT BUDGET PROPOSAL, 3/14/2001

CLINTON: Thank you, Mr. Chairman.

Secretary, it's a pleasure to see you...

POWELL: Hi, Senator. Nice to see you.

CLINTON: I greatly appreciate your prepared remarks as well as your questions, and I particularly am pleased to see the emphasis that you've given to the people who are on the front lines as the troops for the State Department.

You know, we both have had the privilege of travelling throughout the world on behalf of our country and seeing the extraordinary work that is being done. And I commend you for both recognizing that and speaking out publicly, so that perhaps a broader range of the American public can understand what that work is.

In the course of those travels, I've also seen some of the impacts of our policies, and I won't go over any of the ground that has already been plowed. I'm certainly concerned about all of the issues that have been raised, but I particularly would like to have some additional information, as to how, in this budget, you will be dealing with some of the initiatives that have been started, that I've seen positive effects from. And, also, I want to raise some of my concerns about -- and following up on the chairman's remarks -- what appears to be a backing off of other important projects as well.

The trafficking of women, which we've given a lot of emphasis to in the last several years, in which this Congress has played a major role in setting forth an American commitment, the HIV-AIDS issues, which has already been addressed, but there are additional diseases, such as malaria and tuberculosis, that pose tremendous health threats not only to the people who are directly affected, but because of mobility around the globe, also to those of us here in the United States.

The continuing what I consider to be misunderstanding about the global gag rule and the unfortunate re-imposition that the president instituted early on in his administration. I, personally, have seen how our assistance for family planning has reduced abortions, reduced maternal mortality, and I would hope, Mr. Secretary, that you would be able to perhaps provide some first-hand information about that.

It clearly is already illegal for us to be supporting any entity that actually provides abortions, but many of these groups are in the business of providing information and health services, generally. And I think we will be taking a step backwards in terms of our commitment both to ending or at least diminishing abortions and improving maternal and child health, if that global gag rule stays in place.

I'm also concerned about global warming and the environmental impact of human activity throughout the globe. I am certainly disappointed that the President has backed off of his campaign promise to include CO2 emissions in an administration approach to environmental and energy policy.

But I think we have to see it in a broader light, because if we don't take leadership in working on this issue, as other countries, in particular, China and India, gain in affluence, which is something we all want, as they become more economically involved, we're going to see a tremendous increase in CO2 emission as more and more Indians and Chinese are able to afford cars and other industrialization that will lead to even greater global climate warming.

I have one specific issue, and that concerns the Migain Davida Dome (ph), which is the Israeli entity, the humanitarian aid society, which has provided emergency relief at home and around the world.

CLINTON: I've even seen it in action in the Balkans when it worked side-by-side with Christian and Muslim groups to provide aid to Kosovar refugees.

But for more than 50 years, the international committee of the Red Cross has blocked the MDA from becoming a full voting member, because it wishes to do so, not under either the

Red Cross or the Red Crescent, but under its own symbol. Will the Bush administration and the State Department, in particular, Mr. Secretary, make MDA's membership in the International Committee of the Red Cross a priority in our foreign policy agenda?

POWELL: We have always supported the admission of MDA into the International Red Cross community, and we'll continue to do so.

As you know, in the previous administration, we had some diplomatic movement going on in the last year, but it sort of got derailed by the violence that broke out last fall. Hopefully, and we are all hoping that that will start to resolve itself again with a lowered level of violence, so perhaps we can pick up that diplomatic track again or find another approach that will allow MDA to be recognized and received into the international community.

Yes, it is a priority. And yes, we will continue to push for that, as we have in the past.

CLINTON: I look forward to working with you, Mr. Secretary.

POWELL: Thank you, Senator. And on these other issues, time doesn't permit a full expansion of comment on them, but trafficking in women is certainly something that will remain a priority. And we appreciate what Congress has done in the past and will not ignore that direction.

And you're quite correct in pointing out that malaria and TB and other infectious diseases are once again back on the rise and present the same kind of difficulty that HIV-AIDS does.

Mexico City policy, of course, you know the president felt strongly about that and reinstituted it. But at the same time, family planning assistance money is still a more than \$400 million account, and we are making sure that that stays in place.

Global warming: We are reviewing our overall policy as we prepare for the next conference that'll be taking place in Europe in July. And the president's decision yesterday on CO2, you're quite familiar with, but we are still undertaking a broader policy review to prepare ourselves for the next conference.

CLINTON: I would look forward to learning more about that. I just believe it will be difficult for us to exert leadership if we won't tend to our own problems here at home. And I hope that we're able to work that out.

Thank you.

U.S. SENATOR HARRY REID (D-NV) HOLDS NEWS CONFERENCE WITH OTHER DEMOCRATS REGARDING CARBON EMISSION STANDARDS, 3/14/2001

CLINTON: Thank you, so much, and I look forward to co-sponsoring that legislation that you've worked so hard on to introduce tomorrow.

You know, last September, during the presidential campaign in Saginaw, Michigan, candidate George Bush said -- and I just happen to have the Bush-Cheney web page about announcing a comprehensive national energy policy. And I quote: "We will require all power plants to meet clean air standards in order to reduce emissions of sulfur dioxide, nitrogen oxide, mercury and carbon dioxide."

Now yesterday President George Bush said, and I quote: "I do not believe that the government should impose on power plants mandatory emissions reductions for carbon dioxide."

A promise made and a promise broken. In less than eight weeks in office, President Bush has gone from CO2 to see you later.

The overwhelming consensus of scientists around the world is, as Senator Lieberman so well stated, that the global warming crisis is real, it is caused by carbon dioxide emissions and if we don't do something about it, we will all experience severe environmental consequences.

CLINTON: Now, that is of great concern to all of us, but particularly to coastal states like Connecticut and Delaware and New York.

In changing his tune about environmental protection, President Bush has left his EPA commissioner, Governor Christie Todd Whitman, out on a limb. On several occasions she has repeated the president's campaign pledge, including to the Environment and Public Works Committee as well as recently at the intentional conference, that this administration would lead the way in reducing carbon dioxide emissions.

Apparently she did not have any idea that her boss had other plans in mind.

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It also concerns me because of the impact on America's leadership on environmental protection. How can we go to a global conference on global warming and fight to have other nations combat this environmental threat if we aren't willing to take steps in our country to deal with this problem?

I posed this question to Secretary Powell when he appeared before the Budget Committee today, because to me the president's flip-flop in effect gives to all other nations a license to pollute. The consequences of this decision are so grave and long lasting, that we hope that the president and his advisers, particularly the vice president, who apparently leads the administration efforts on energy, the environment and the economy, will take a second look at this pledge that was made during the campaign and reconsider the implications of reversing it.

REID: We'll be happy to take questions now.

LIEBERMAN: Let Tom speak.

REID: Oh, Tom.

(LAUGHTER)

REID: Well, that's how they don't follow my instructions because...

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CLINTON: He pushed me onto the stage, basically.

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(LAUGHTER)

... of the Dirksen Building and we will have like a real office. We will adults. We will be grownups.

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CARPER: And it's pretty exciting. In less than three months after we took office, we will have...

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And what's important is he feels those pressures to change his position, to reverse his position in this important area. I think it's critical for those of us who have an entirely different view, who regard carbon dioxide emissions and greenhouse gas and the overheating in our atmosphere and ever-larger ozone, if those of us who regard those as serious, serious matters for our planet, we have to speak up and be as loud and as

persistent and hopefully as persuasive as those who have leaned on the president to get him to change his view.

CARPER: The last thing I would say, the fellow who used to be governor of the state that Senator Clinton now represents, Governor Cuomo, used to say that we campaign in poetry, but we govern in prose.

There are elements of Governor Bush's campaign for the presidency, where he campaigned in poetry, that made a whole lot of sense to this governor.

LIEBERMAN: Now you tell me.

(LAUGHTER)

CARPER: I voted for you, pal. I voted for you.

(LAUGHTER)

No, dimpled chad. I was a straight voter. A clean and clear vote for you.

But you know something? When we get here in Washington and it times to work with the prose, something -- a little more syntax is slipped a bit here. And we need to get back to a little bit of that poetry.

And part of our job is, as Democrats and Republicans in the legislative branch, is to make sure that we do.

Thank you.

LIEBERMAN: Thanks, Tom.

REID: We would be happy to take questions that any of you might have.

QUESTION: (OFF-MIKE)

LIEBERMAN: Well, we asked for everybody's prayers. There's no question about that.

(LAUGHTER)

Look, the details of the bill we will announce tomorrow. What's significant is that is a bipartisan group of cosponsors from the Senate and the House. And I think it reflects a growing recognition that climate change is as real problem.

And that's not just the recognition among members of Congress. In fact, I think the American people are way ahead of members of Congress in their understanding that something is unusual is happening to the planet, to the weather and that we have a responsibility to try to do something about it now.

To do something means changing and naturally groups that have to change resist that change. But that's where leadership comes in.

And that's what so profoundly disappointing about the reversal that President Bush has made. The position he took during the campaign on controlling carbon dioxide emissions from power plants was an act of leadership. And it's very disappointment to see him abandon that position of leadership.

But we can pick it up now. And I think with the kind of support we expect from environmental groups with what we think is a creative approach -- and I'm going to save the details until tomorrow -- but it's a creative approach that builds on some of the most innovative parts of the Clean Air Act and it's not, kind of, command and control environmental protection. It's more market-based, incentive-based controls, then I think we've got a decent chance.

So I'm not kidding myself. We're fighting against some strong interest groups here, but I would note that there are some businesses who will be in favor of this because they know this is a problem, they see other jurisdictions around the country acting and they prefer, I think, a national solution, a national answer to the problem that will be consistent and that they can learn to live with.

So it's a battle, but this is a battle worth waging. I mean this is one of the most critical problems that I think any of us in Congress will face in the time we're privileged to serve here and I hope we're going to show some leadership on it.

REID: Joe, the question was directed toward you, but I think that in it's your bill, I think I would like to comment on what I think will happen in our committee.

We really have an outstanding committee. It is a bipartisan committee as indicated the way we reported out the brownfields legislation last week, where we had basically three dissenting votes out of 18. We have a very progressive committee. I think we're going to look at Senator Lieberman's bill very closely and I really believe, Joe, we can report it out of our committee.

I don't know all of the details, as I indicated, but we have a broad consensus in our committee that we need to do something about this global climate change that's taking place. And I think this is, what I indicated in my initial statement, we need to do things dealing with the environment on a bipartisan basis.

REID: Our committee is nine to nine and we think that we're going to work together on legislation like Senator Lieberman has, and put it on the Senate floor and let people there make a decision what they want to do.

QUESTION: So why are there no Republicans from the committee here?

REID: Well, because I didn't ask any of the Republicans to come.

QUESTION: How come, if you need their support?

REID: Well, maybe that's true but let's be real. Let's be very clear and understanding. I don't think you're going to get a single Republican to come here and criticize what their president has done. That doesn't mean they can't do good work in the committee.

I mean, as strong on these environmental issues as Senator Smith has been, he's not about to come and say that his president was not telling -- that he's flip-flopped, that he's disappointed the American public, that he's set an example that's not very good. I don't think we can get any Republicans to say that and I've been around long enough to not ask any of them to come to...

LIEBERMAN: But they will be here tomorrow for the presentation of the proposal for the future.

QUESTION: The same groups that influenced this president to make this flip-flop are behind drilling in ANWR and boosting the generation of fossil fuel energy.

REID: No kidding.

(LAUGHTER)

QUESTION: What does this change have to say about the political climate as you debate the energy one?

QUESTION: If they can muzzle the White House, why can't they muzzle senators?

REID: If they can muzzle the White House, why can't they muzzle senators? Well, they only have to deal with one person down there. Here they've got -- no, seriously, I think that this is

an issue that we're going to have to take leadership on. I don't think that we can talk about why it happened down there. We can all arrive at whatever conclusion we want.

All I know is that we're committed in this committee on a bipartisan basis to do things about the environment. It's the Environment Committee and we're going to do thing about the environment, including global climate change and we're going to do it on a bipartisan basis.

QUESTION: What does it say about any energy bill that's likely to come out this year?

REID: Well, there may be some things that we send -- I hope we can send some things to the White House that he's going to have to make a tough decision on. We're -- I think that -- you know, we realize that we no longer have the White House. We understand that. But I think that if we send him a bill dealing with brownfields -- now he has said in the past that he would support a brownfields legislation. This is legislation that deals with SuperFund. It's very, very critical legislation to our country.

I think the president will sign that. I would hope that he wouldn't flip-flop on that.

There are a number of other issues that we feel that we can change what's going on in the country today. One of those is global climate change. I think it would be a terrible, terrible legacy for this Congress, if we didn't do something about global climate change. It's happening before our eyes.

QUESTION: Senator Clinton, does this decision impact or change any policies from the previous administration? And what would Al Gore, what did he commit to do differently on the subject?

CLINTON: Well, I should call on the expert on that. Yes, his running mate.

Let me just say briefly before Joe responds, there was a great commitment in the previous administration, which certainly the vice president has a leading role in shaping, that we should sign the Kyoto protocol, that we should try to negotiate with other nations around the world to deal with carbon dioxide. And I think there was a very realistic assessment by the president and the vice president that the cap and trade market-oriented strategy would be an appropriate way to try to tackle this problem.

What's unfortunate about this decision, based as best we can tell, is that that's even rejected. So that it's not only a mandatory emissions standard that's rejected, but it's also the market-based proposals that we think are really productive, that should be followed.

And I will let Senator Lieberman respond specifically.

LIEBERMAN: Real briefly, I mean I think you all know Al Gore, in some ways, wrote the book on global warming and global climate change. And I was in Kyoto three-plus years ago and there was tremendous gridlock there. And when the vice president arrived, he played a critical role in getting us to the point where actually we could adopt the Kyoto Protocol.

So I have no doubt, and it pains me some to speak wistfully of this, but a President Gore definitely would have supported the four pollutant control bill that we're going to introduce tomorrow.

REID: Joe, one thing, just to elaborate on the question that was asked, what has this done to change what the Clinton administration has done? Let's take it back one administration. What has it done to change the Bush administration?

As you know his father signed the UN Framework on Climate Change, which was the beginning of our being obligated to do something about climate change. So I think the son should talk to the father because he's not even living up to what his father did during the time he was president.

CARPER: Could I add just a comment on a lighter note, maybe as we close?

(LAUGHTER)

REID: You always have to ruin everything.

(LAUGHTER)

CARPER: I know.

Have any of you ever gone to the beach over in Delaware or in Maryland, on the Eastern Shore? Sure.

If we don't do something about global warming and part of that is carbon dioxide, you're going to have a lot shorter drive...

REID: That's true.

CARPER: ... to get to the beach.

We spent a fair amount of money, good money, to replenish the beaches from Cape Henlopen on down to Ocean City, Maryland.

LIEBERMAN: That was definitely poetry.

(LAUGHTER)

REID: Thank you all very much.

CARPER: I'm coming to the prose.

All right, thank you all very much.

END

U.S. SENATOR CHARLES SCHUMER (D-NY) HOLDS NEWS CONFERENCE WITH OTHERS REGARDING THE CARBON EMISSIONS STANDARDS, 3/15/2001

CLINTON: Thank you very much, Senator Jeffords.

I'm proud to be a cosponsor of the Clean Power Act of 2001, and I really commend the hard work that Senator Jeffords has done and in the House, particularly, my colleague Sherwood Boehlert and Henry Waxman, and everyone who's come together to send a very clear message that this is a problem whose time has come, and we are required to act.

We target, in this bill, four pollutants that contribute to some of our nation's most serious health and environmental concerns. We already know, there isn't any doubt, that these pollutants give us smog, acid rain, mercury contamination and global warming. They cause respiratory problems, deforestation, rising sea levels and developmental ailments in children. Now that all sounds like something out of the book of Exodus in the Bible, but it's not. It's in our air, and it's real threats that are confronting us all over New York and our country every day.

I remember going to Big Moose Lake in the Adirondacks and how sad it was to stand on the shore of that lake and to hear how there were no more fish. There were no more loons. There was an occasional moose that lost his way coming from Maine to go somewhere else. But, you know, Joe, it was just tragic to, you know, listen to the people who had grown up in that area, who can remember what it was not so very long ago and to see what we have wrought because this is a human-made problem. And it's time to act now because here in the 21st century we're still dealing with 19th century air pollution challenges, and this is a response to reality.

It's a serious pollution problem. With all due respect to the president with his change of view on carbon dioxide emissions, he is overlooking the reality that this bill is market-based, technologically feasible, bipartisan and effective. And it could be called just as easily the Breath of Fresh Air Act because that's what it will give our children and our grandchildren and children to come.

I know it's a priority in New York. I believe it's a priority in every part of America, and I would only echo what Chuck said, if it's not a problem in your community yet, you are not immune, it will be. And now is the time to prevent its further spread and to try to undo the damage that has already occurred.

JEFFORDS: Thank you, Senator.

Now we have one of the hardest working and most able senators from good old New England and from the rest of the country.

(UNKNOWN): Thank you very much.

I want to commend my colleagues, particularly the leaders on both sides, Senator Jeffords, Senator Lieberman, Congressman Boehlert, Congressman Waxman, Senator Clinton, Senator Schumer. We're here because we recognize the huge costs that's have been imposed upon our communities by air pollution.

In the northeast we suffer a double whammy. First, tons of pollutants are transported each year into the Northeast degrading our rivers imperiling the health of our neighbors. But then, in addition to that, we have to pay more for our own utilities, our own industries, so that we can comply with existing laws with respect to air pollution. It's not only unhealthy. It's unfair, and the strategy outlined in this legislation will improve the health, and it's imminently fair. I support it strongly.

I am very disappointed that the president, yesterday, reneged on his commitment. He did not make a mistake a few months ago when he pledged to curb pollution. He made the mistake yesterday. I hope, through this legislation, we can rectify that mistake.

QUESTION: (OFF-MIKE)

CLINTON: Well, I'll have to let others respond to that.

CLINTON: I know that when Administrator Whitman appeared before the Environment and Public Works Committee during her confirmation hearings and in a number of settings after that, as Senator Lieberman clearly pointed out, she certainly made her commitment known. And, you know, I'm hoping that she and others within the administration will bring the evidence to bear on this issue, and I know how administrations work, I think, and I believe that there's an opportunity here for the president to, you know, perhaps take a second look at this.

NEWS CONFERENCE WITH SENATE DEMOCRATS REGARDING THE BUSH ADMINISTRATION'S ENVIRONMENTAL ROLLBACKS, 3/23/2001

SEN. BOXER: You bet. And our wrap-up, Senator Clinton.

SEN. **CLINTON:** Thank you, Senator Boxer and --

SEN. BOXER: I want to say, a colleague on the Environment Committee.

SEN. CLINTON: That's right. And I want to thank Senator Boxer, my good friend, for getting us all together and my colleague, Senator Schumer. And Senator Nelson, maybe your governor could talk to the president. That might be informative.

If you want to know about National Poison Prevention Week, you can go right to the EPA's Web site. It's www.EPA.gov. And there you can find that this week is designed to help us, as President Kennedy said when he designated it so many years ago, "to raise awareness of dangers of unintentional poisoning." That's why we're here today, to raise awareness of the dangers of unintentional poisoning.

But the danger now is coming from the EPA under the leadership of President Bush, and it's unfortunately not so unintentional. Now, we've all heard about President Bush's charm offensive. But now his administration appears to be on a harm offensive. It's as though he were trying out for a remake of "Arsenic and About-Face," because that's really what we've seen here. He's on a harm offensive to do harm to our environment and our children's health as he rolls back regulations designed to protect us from poisons like arsenic and emissions that cause global warming.

I know that many of us find this hard to believe. I mean, if you've gotten the sense from my colleagues that we're amazed to be standing here talking about this, I think you've gotten the right impression. You know, arsenic is something we should be working to keep out of our drinking water, not lifting standards so that it can remain in it.

As Barbara so well pointed out, it is a carcinogen. And I would just add to her very eloquent presentation that it has a greater effect in smaller dosages on children. You know, Barbara and I have gone around for years saying that children are not just little adults. You know, their systems in every way cannot take as much as adults can. And this is a perfect example of that.

I want to add one other thing that I just learned today, shortly before coming here, which I found equally amazing. There's even news that the administration has delayed regulations designed to alert the public to emissions of lead into the environment. Now, I believe our colleagues will stand up and will fight on this one as well. The federal registry is starting to read like an obituary for America's environment.

Now, almost 40 years ago, Rachel Carson wrote "Silent Spring," which helped inspire the modern environmental movement, and I think raised awareness certainly in my home, and I imagine across our country. Well, we're here today to say this will not be a silent spring. If the administration thought they could sneak these things through in the federal register, that they could issue these rollbacks and everybody would yawn, they're in for a great awakening.

We want to be sure that everyone, and I mean everyone -- every mother who worries about what comes out of the tap, every father who worries about the air that his child breathes -- that every single person in this country hears about what the administration is trying to do to our air, our land and our water. We want to be sure that we do everything we can in this body to stop this assault on our environment and our health.

I'm just so grateful to be standing here with colleagues who understand what's at stake in this struggle. It would be very nice if the other end of Pennsylvania Avenue would reverse direction once again, admit that they are wrong, admit that they don't need to do these things, and join hands with us to keep making progress in a bipartisan way on behalf of protecting our health and our environment. You know, it's never too late. And so we would invite that rethinking on CO2, on logging, on arsenic and lead. But if there's not going to be a change in attitude, then we will do everything we can in this body to protect the health and safety of American children.

Thank you very much.

U.S. SENATOR HILLARY CLINTON (D-NY) HOLDS NEWS CONFERENCE ON STIFFER PENALTIES FOR VIOLATIONS OF EQUAL PAY ACT, 6/12/2001

U.S. SENATOR **HILLARY RODHAM CLINTON** (D-NY): Thank you so much, Veronica.

U.S. SENATOR **HILLARY RODHAM CLINTON** (D-NY): And I am delighted to be introduced by Veronica who has a story to tell that is a story similar to stories that I've heard from women throughout our country. And I'm delighted that she's a member of Local 3 IBEW, which has been a great source of support for me and does exactly what Veronica said, namely provide equal pay for equal work and make it clear that what matters is how you work not who performs the work. And so, Veronica's determination to fight for a job where work is valued and rewarded, like that of her male counterparts, really is an inspiration to us all.

And I thank her for joining us today, representing thousands of working women who are determined to make the same case that their work, too, should be valued.

I want to thank my good friend and the honorary chairwoman of the National Committee on Pay Equity, Linda Chavez-Thompson.

(APPLAUSE)

Linda has been a stalwart supporter of working families and women's rights for many, many years and is one of the real leaders in our country for the simple proposition that you should receive equal pay for equal work, and she has lived it and she is now leading the campaign for it.

I also want to thank Senator Kennedy, who could not be here today for his lifelong commitment. And I want to thank my good friend and a real champion of working people throughout our country, Senator Tom Harkin from Iowa, who is just as effective a legislator and advocate as you can find in the Senate or our country.

(APPLAUSE)

He's a dear friend of mine and I admire his work on so many issues. But his constant support for the issues that matter to working families really sets him apart.

I'd also like to thank my colleagues from the House, Congresswomen Rosa DeLauro and Eleanor Holmes Norton for being here.

(APPLAUSE)

Both of them have a real history of caring about these issues. Neither of them are "Janie's Come Lately" to...

(LAUGHTER)

... concern about women's issues or equal pay.

Yesterday was a momentous day in our nation's history because -- I guess, it was Sunday, on June 10, 1963, we ended a protracted an 18- year battle to enact the Equal Pay Act into law.

On signing this landmark legislation, President Kennedy remarked, "This measure adds to our laws another structure basic to democracy. It will add protection at the working place to the women, the same rights at the working place, in a sense, that they have enjoyed at the polling place."

It meant that the days of newspaper job listings, which I can actually remember, although many of you are too young to recall, that differentiated between men's jobs and women's jobs with differing pay scales would slowly, but surely, come to an end.

But June 10, 1963, also marked the beginning of a new battle, and one that we're still struggling with today: Equal pay still doesn't exist for working women and families in 21st century America.

At the signing of the Equal Pay Act, women earned 59 cents for every dollar earned by men. Today, women earn 72 cents on the dollars. So according to my math, it's taken us 38 years to win another 13 cents. Well, at that rate of progress, it seems that women won't win equal pay until sometime near the end of this century.

And we're here today to say loudly and clearly that the women and families of America will not and cannot and should not wait that long for simple justice in the workplace.

(APPLAUSE)

CLINTON: Nearly 40 years after President Kennedy signed that ground breaking legislation, jobs held predominantly by women are consistently short changed and under-valued in pay compared to jobs primarily held by men. Jobs typically held by women are paid 17 to 20 percent less than comparable jobs held by men.

Now I don't know about you, but I've never known a woman able to get away with going to a grocery store and saying I want a 17 to 22 percent discount because I'm a woman. Well, that's not the way it works. We're expected though to get by on less. And this is not just an issue for women like Veronica who has worked her way up and had a convenience store job, a gas station job, an electrician job, and is now an independent contractor. This is an issue for all women.

The other day, I was reading an article about a group of women who are tenured professors at MIT and Yale and places like that, who have discovered that they also don't get equal pay. A molecular biologist at Yale University said, "A woman is expected to be twice as good for half as much."

Well, this pervasive problem affects women in every type of profession. During the mid-1990s, in addition to making breakthroughs in scientific research, Dr. Nancy Hopkins (ph), a professor of biology at MIT uncovered, with the help of other women professors, a pattern of wage discrimination against female professors at that university. Regardless of their education level, regardless of the workplace environment, the wage gap is a reality.

Now, there are some, and I know that they will be on their web sites and they'll be calling reporters as soon as we finish this press conference, who are saying, "This is just another imaginary kind of issue. It doesn't really exist. The reason that women aren't given equal pay is that women take time out to care for children. Women cut back on workloads in order to fulfill family responsibilities," and you know, we do, and I'm glad we do. And I wish our country were more understanding of the many roles that women play in caring for children and caring for aging relatives.

(APPLAUSE)

But the fact is, that it is a real issue. You know, when you're pumping gas or doing research on molecular biology, and you're in the workplace and you're putting your time in to do that work, you should not be discriminated against. And this is not just a women's issue, this is a family issue because the average American family loses \$4,000 a year to unequal pay. That not only hurts women, it hurts single mothers, it hurts working couples, it hurts children and it hurts our economy.

If the wage gap were eliminated, for example, New York women would, on average, make an additional \$4,080 per year. Now, that can make a significant difference in the life of any family. And in New York alone, eliminating the gender wage gap would reduce the number of single-mother households living in poverty from 21.2 percent to 10.5 percent.

Let me just repeat that because, you know, we made a bargain with women on welfare that if they were willing to work, they would be rewarded for work. We wanted to make work

pay. But we could cut in half the level of poverty for working single moms if they received equal pay for their work in restaurants, and on factory lines, and in all kinds of other settings.

For all these reasons, my colleagues and I have joined in the Paycheck Fairness Act. Senator Harkin and I are co-sponsoring Senator Daschle's Paycheck Fairness Act, which would close loopholes, increase penalties and strengthen enforcement of prohibitions addressing paycheck discrimination on the basis of gender.

You know, I'm just absolutely convinced that this is an issue of economic freedom, it's an issue of economic justice. It's an issue just of plain old-fashioned fairness. And we're going to have to keep fighting until we bring that bill to the floor and get a positive vote out of the Senate and then, my colleagues in the House will get the same positive vote out of the House.

CLINTON: And we will, I hope, have another bill-signing ceremony in the White House to make good on our promise of equal pay.

(APPLAUSE)

Now, I have the honor of introducing Kelly Thomas (ph), a junior at Norfolk State, who is working her way through college, because she believes in the promise of higher education. And for Kelly (ph) and all the other young women in our country who graduate from college and expect to have their hard work pay off, it's time for us to make sure that their dreams are not diminished by wage discrimination. Please join me in welcoming Kelly Thomas (ph).

KELLY THOMAS (ph): Thank you, Senator Clinton.

I am thrilled to be here today to stand with you and other members of Congress and all these beautiful and energetic women. And I know you're all fighting for equal pay for women like me and I thank you.

My name is Kelly Thomas (ph) and I am a junior at Norfolk State University. I am working as a waitress six days a week to help me get through school. I am working very hard because I know that the higher education is absolutely necessary to get a good job these days. I want to go to graduate school as a licensed clinical social worker.

But after all the years of education and all the hard work, I ask myself sometimes, will my reward be? Will I be able to pay my bills, purchase a new home and be economically secure? I honestly don't think so, as an African-American woman. I am only going to make 66 cents for every dollar that I earn. So what's the incentive for me to work hard and get advanced degrees, when I know that men with the same education, skills and experience will be making a lot more money than me and able to buy their first home and take their vacation and able to save for their future. It's totally unfair.

I've gone on the AFL.

(APPLAUSE)

I have gone on the AFL-CIO's web site and they have a calculator that estimates projective loss of earnings for women. And given my education and job category, my loss of earnings to unequal pay over my lifetime could reach as high as \$888,000 -- that's outrageous. That's why, as a young woman, I am here today to tell Congress and President Bush that I need help and so do millions of other women about to enter the work field. We want an deserve a full-day's pay for a full-day's work and we want you to hold employers accountable when they don't pay me what I'm worth.

Thank you all for helping us battle this.

(APPLAUSE)

I am now privileged to introduce our next speaker, Senator Tom Harkin, who has spent his life speaking out for working people like me. It is my honor to introduce a champion for working families, and on behalf of millions of other working women across this nation, I want to personally thank you for all you do for us. Senator Tom Harkin.

(APPLAUSE)

U.S. SENATOR THOMAS HARKIN (D-IA): Thank you, Kelly (ph).

Kelly, thank you very much and thanks for, once again, reaffirming our faith in the younger generation. I want to thank Senator Clinton for her great leadership, not only on this issue, but so many other issues that affect social justice and economic justice in our country.

HARKIN: I want to thank my colleagues who are here from House, Eleanor Holmes Norton, and also Rosa DeLauro.

As a longtime avowed feminist, I am proud to be standing here with you today.

(APPLAUSE)

Only have one request: Can I get one of those t-shirts?

(LAUGHTER)

I also want to thank Linda Chavez-Thompson from the National Committee on Pay Equity in the AFL-CIO for organizing this important event.

I'd like to reiterate that the signing of the Equal Pay Act was historic, as Senator Clinton said, and since then America's working women have come a long way. But we need to do a better job by strengthening the penalties of that law. That's why I am a proud co-sponsor of Senator Daschle's Paycheck Fairness Act.

Last year, I offered this bill as an amendment to the tax bill, but unfortunately, it failed to pass by just a few votes. But I believe this year will be different in the Senate; we have a real opportunity to get it through.

Some people, as has been said, say there is no wage gap and we don't need this legislation to close it. But I say that anyone who tries to deny that have their eyes closed and their heads buried in the sand. As Kelly (ph) just so eloquently stated, there is that pay gap out there for women, especially women in traditional women's job.

The Paycheck Fairness Act is a good first step. It will close that chapter on the Equal Pay Act that was signed into law in 1963. We do need to stiffen the penalties and to make sure that we do have equal pay for equal work.

But there is also another step that we need, and that is the passage of the Fair Pay Act, which I and Eleanor Holmes Norton first introduced in 1996. This bill targets the underpaying of traditional female jobs, Kelly (ph), like you were talking about, like nursing and teaching and child care and social work.

These traditional female jobs is where the real gap is out there, and we can't afford to let this continue any longer. We have a dire need in this country for good child care, for social workers. Why should a probation officer, who is mostly male, get paid a third more than a social worker, predominantly female? There's absolutely no justification for that.

We need to hire tens of thousands of new teachers in the next decade. Many of them will be women. They should have their pay closed, and to make it equal, not just equal pay for equal work, but for equal pay for comparable work. Work that is traditionally women's jobs need to be raised up.

(APPLAUSE)

So that's why I say, now is the time, this year is the time to do the two things that need to be done: to close the chapter on the 1963 bill and make sure we have the adequate

penalties, but to also close the sad, long chapter of women in traditional women's jobs getting paid less than men in traditional men's jobs. Let's take those steps this year, let's close that door, let's truly have equal pay for all of the people in this country for the good work they do.

Thank you.

(APPLAUSE)

CLINTON: Now I'm delighted to introduce my colleague from the House, Congresswoman Rosa DeLauro.

U.S. REPRESENTATIVE ROSA DELAURO (D-CT): Thank you so very, very much, Hillary. It's a delight to be here with you, Senator Clinton. It's nice to say those words.

I also might add, I just see Dorothy Height, who is here. And we want to just say thank you to you for being a role model for all of us in your good work of being a champion of women and their families. Thank you so much.

(APPLAUSE)

To Senator Clinton, to Senator Kennedy, Senator Harkin, to my colleague in the House, Eleanor Holmes Norton, we are here really to commemorate the anniversary of the signing of the Equal Pay Act.

And we are here today with Veronica, and with Kelly (ph), to say that it is past time that women in this country, that the work that they do is valued and that we have got to make sure that they do have pay equity, because what pay equity is about is valuing the hard work that women do in our country.

NORTON: To the AFL-CIO, to Linda Chavez Thompson, for all of the wonderful work that you have done over the years, and putting together today's event. You know, I was in Chicago a couple of years ago where there were about 5,000 women strong where we talked about paycheck fairness and I will tell you, my friends, that it was palpable.

What an amazing turnout of folks, and this is what we're going to try to do, as one of my colleagues said, is everyone in this nation should be on the phone calling their elected representatives and telling them that it is their obligation as a public servant to sign on to the Pay Equity Act, to make sure that we do close this wage gap.

(APPLAUSE)

To Senator Kennedy, a thank you for making this one of the top priorities as the new chairman of the Health, Education, Labor and Pensions Committee. What a difference a democratic majority can make.

(APPLAUSE)

We want the same type of commitment to equal pay in the House of Representatives. More than 151 members, both men and women, have stood up for working women by cosponsoring the Paycheck Fairness Act. That's a lot, my friends, but it's not enough, and today I am urging every member of the House to take a look at this bill and what it will do for working families to cosponsor the legislation and, in fact, to stand up for working women.

We need to follow Senator Kennedy's leadership and have hearings on the legislation in the House as well. Let's get a look at what the facts are. Study after study shows that the pay gap is real, it's unfair to working women, it robs them and their families on an average of \$4,000 each and every year. It's not fair and it isn't right.

I will call on Speaker Hastert to hold hearings on this legislation. Let the facts speak for themselves because what the facts do, they compel us to pass the Paycheck Fairness Act, to pass it now because America's women have waited long enough.

(APPLAUSE)

You know, there are some, as Senator Clinton pointed out, that they claim that the challenges of working women stem from their own choices, that they are there trying to, quote, "have it all." But too often, entering the work force is not a choice, it is a necessity, and when we fight for equal pay, we are not just asking for economic justice for women.

DELAURO: We are fighting for the families who simply cannot get by without a second paycheck every single week. Nearly two-thirds of working women provide half or more of their household income, and 41 percent are the sole source of income. These families are struggling to pay the rent, to make the mortgage payment, to buy the groceries, to pay the medical bills and to save for their children's education. The persistent undervaluing of women is where it compels us to pass this legislation now.

I was proud to introduce this legislation in the House and the Paycheck Fairness Act would, for the first time, put wage discrimination on the basis of gender on the same footing as wage discrimination on the base of race or ethnicity. It would toughen the remedy provisions of the Equal Pay Act by allowing for compensatory and punitive damages as well as make it easier for cases to proceed as class actions.

It lifts the gag rule that prevents women from even discussing their wages so that they can compare their salaries and ensure that they are being paid a fair wage. It would empower America's working women to fight wage discrimination and win the paycheck they have earned for themselves and their families.

The wage gap is now at its lowest point ever; that's progress, but it's not enough. It's time for us, as a nation, to say that we acknowledge the contributions that women make to our society. Their values, America's values, demand equal pay and on this anniversary, we need to rededicate our lives. And I say to the folks who may be listening or watching, women and men and American families, let your elected representatives here from you and instruct them that what they ought to be doing is to be for pay equity, to be for it now or they, in fact, face the peril and the wrath of those folks who are being cheated for their hard earned worth in this country.

Thank you.

(APPLAUSE)

CLINTON: You know every time I hear Rosa speak and, you know, you just get a small taste of the energy and enthusiasm that she brings to the cause that she believes in, I think of her mother, a working mom who I have known and admired and it really is a great fitting tribute to her that Rosa is here once again fighting for justice for all people, especially women, and I want to just amplify Rosa's remarks, that we're joined today by a real pioneer, a pioneer on behalf of civil rights, human rights and human rights.

Dorothy Height worked with Eleanor Roosevelt. Dorothy Height has been there on every important occasion where the cause of human freedom and opportunity has been advanced in our country. And for all the younger people, both who are here for this event and some who are passing by and standing and waiting and watching, I hope you'll learn about Dorothy Height. I know that she's someone who deserves all the accolades she's received and is truly a historic figure, and we're delighted that she's here with us.

Thank you so much, Ms. Height.

(APPLAUSE)

Now it's my great pleasure to introduce someone who has fought for the District of Columbia, who has fought for working families and for women all of her life, fought for equal opportunity at the Equal Employment Opportunity Commission and comes today once again fighting for equal pay.

Please welcome Eleanor Holmes Norton.

(APPLAUSE)

U.S. CONGRESSWOMAN ELEANOR HOLMES NORTON (D-DC): Thank you very much. Linda Chavez-Thompson...

(CROSSTALK)

NORTON: ... for bringing our coalition together, thank you Tom, thank you Hillary, thank you Rosa and thanks to our two real women who have been here to let you know in person what it means not to be paid equally because of your sex.

I am a proud co-sponsor of two equal pay bills. And the coalition you see around you supports two equal bills, because it's going to take two to tango to get women back to where they ought to be for fair pay.

I am proudly a co-sponsor of the Paycheck Fairness Act, which would update the Equal Pay Act. It was my great honor to administer, as chair of the Equal Employment Opportunity Commission. But my friends, the act is 40 years old. It is way out of date. It doesn't do the job anymore.

What the Paycheck Fairness Act would do is to minimally bring the Equal Pay Act up to operating in the 21st century workplace, by -- would you believe this? -- simply putting into the Equal Pay Act what is already in all the other civil rights acts. You could bring a suit as a class action, for example, as you cannot under the Equal Pay Act. You could get compensatory damages and punitive damages as you can under other civil rights act.

And an employer could not sanction you if you asked a co-worker what his wages were, and he willingly told you, then you could not be fired as you can be fired now, because there are employers that say, "If you discuss your wages in the workplace then you no longer have a job," because he knows that women will then find out often that they are being paid less than men doing the same job in the same workplace. We got to get that fixed.

But, Tom Harkin, my partner in crime...

(LAUGHTER)

... and I have gone one step further because we know that 70 percent of working women will not be helped by the wonderful Equal Pay Act, because they work in women-only jobs. You can't compare them to a man doing the same work, because they don't do the same work as men. And I'm glad that the teachers are willing to continue to teach our children, even if men aren't. And I'm glad that women are willing to nurse in our hospitals, if men aren't. And we will stop chasing them out of these professions if we simply pay them what they are worth.

(APPLAUSE)

A women who does a job with the same skill, effort and responsibility as a man should be paid the same as he is, even if they call him something different. Then they call him a probation officer and they may call here a social worker, but they're doing the same hard work out here in the neighborhoods of the District of Columbia, pay them the same.

(APPLAUSE)

And to put our money where our mouth is, Tom Harkin and I, and he and I have talked about this personally, Tom Harkin and I are today releasing a letter to the GAO to ask them to study the work of 20 states that have done exactly what the Fair Pay Act would have done. There are 20 states in the United States -- Hillary, New York is one -- where women workers, most of them unionized, Linda, stepped up and said, "Do an evaluation of the women's jobs, the teachers, the nurses, the librarians, the clerical workers and compare those workers with the male jobs."

NORTON: Twenty states have done so, most of them on the basis of those job evaluations have raised the wages of women, and they have done so over a period of years so as to not disrupt the economy or the payroll of the state. It has been done. Tom Harkin and I know it has been done. We think the way to get the federal government to do what is, is to have them look at the states from which they come where their own women have demanded equal pay for comparable work. Otherwise, we will not touch the 70 percent of women who work in female sex-segregated occupations.

Tom Harkin commissioned, or asked the Labor Department to study federal contractors. And they found the federal contractors were essentially like other workers. But they also found -- and here I am quoting the Labor Department, "Since 1979, the contribution of occupational segregation," -- that's another word for sex-segregation -- "to the pay gap has jumped from explaining 18 percent to explaining 46 percent of the gap."

If you want to get to the gap, you've got to get to the difference between traditional male jobs and traditional female jobs. And you have seen us out here year-after-year, get used to it here, because you're going to see us here, sticking with pay issues until we move this Congress to do something about pay issues.

I believe that this is the year for the first time to have hearings on the Paycheck Fairness Act and on the Fair Pay Act. Because if we do, then for the first time in 40 years, Congress will be paying serious attention to the disparities between what we pay the men who go out to work in America and the women who go out to work in America. Thank you very much.

(APPLAUSE)

CLINTON: Now, I'd like to introduce for a few words the woman I referred to earlier, someone who it always gives me great pleasure and just such a sense of honor to have any association with. And that is, my friend, Dorothy Height.

(APPLAUSE)

DOROTHY I. HEIGHT, NATIONAL COUNCIL OF NEGRO WOMEN: Thank you, I was here at the time that President Kennedy signed the Equal Pay Act. And there was great hope, we thought we had made it. We had been a Civil Rights Movement, which had pushed us hard to understand that it was not finished so long as we dealt with race without dealing with sex discrimination. We had come and everybody was rejoicing on the White House lawn, Senator Clinton.

And here we are today, still working. We've come from the washrooms into the board rooms. We have advanced in all fields. And women have shown that we are more than able, but yet, we have so far to go. And when I look at the African-American family and many families of color, and realize that so many of those families live in poverty, and yet they are working, I realize it's not because they are simply headed by women, but that the women are working for women's wages.

HEIGHT: And we have to put our cause with the cause of all women and join hands. So I just want to say that I'm glad to see this great new start with the leadership of Senator Clinton, who I'm glad to call my Senator and Senator Daschle and our women of Congress. And I think that means for all of us that we know now that we can't stop. We cannot think that we have it. We still have to work for equal pay and the paycheck fairness seems to be the way. So thank you for the opportunity.

(APPLAUSE)

But all I can say is, Harriet Tubman always said, keep going. That's what we have to do, too.

(APPLAUSE)

CHAVEZ (?): Thank you, all of you, for being here. You know, one of the things that we've got to remember is this started 38 years ago. It's still not a job that's finished. Very simply,

these congress people that stand before you and spoke so eloquently, they've got the message. But there are some people in Congress, duh, that don't have the message. And the message has to be made clear and very simple.

In Espanol [speaking in Spanish].

Does anybody know what means? We've had enough. We have had enough. Yavasta (ph). Let's say it again. Yavasta (ph).

ALL: Yavasta (ph).

CHAVEZ (?): All right. You're speaking Spanish. We'll go to the next lesson. But let me say something to you. We can stand here and talk and have a press conference every week, but that's not what it's all about. It has to be up to each and every one of you, picking up the phone, calling somebody you know to help you call your Congress person, making sure that the e-mails and the letters and everything gets up there because they need our help. It cannot be done, unless they feel the support that they feel today. And as I said before, Yavasta (ph). We have to get the job done. This is the year. We've got a Senate majority. Hello. And isn't that a wonderful thing?

(APPLAUSE)

And you know what, this Senate majority is ready to get on the agenda of working families here. And working women, let me tell you one thing, we have champions that will stand up for us, champions that will get the job done. It's just up to us to help them get it done. Thank you so very, very much.

(APPLAUSE)

END

PRESS CONFERENCE WITH SENATOR CHARLES SCHUMER (D-NY) AND SENATOR HILLARY RODHAM CLINTON (D-NY), 6/14/2001

RE: MIDDLE EAST SITUATION

LOCATION: SENATE RADIO/TV GALLERY, THE CAPITOL BUILDING, WASHINGTON, D.C.

SEN. SCHUMER: Okay, hello, everybody. We are the senators from New York, in case you haven't noticed.

SEN. **CLINTON**: That's our theme song. (Laughs.)

SEN. SCHUMER: Right, but I have been instructed not to either sing or dance in public since I became a senator. When I was a congressman, it was okay.

Okay, anyway, we're here to talk, of course, about the Middle East. And, you know, there have not been too many good days in the Middle East lately; Tuesday was one of them. Thanks to the hard work of George Tenet and the Bush administration, a cease-fire was reached between Israel and the Palestinians which will, hopefully, put an end to the eight months of terrible violence, at least temporarily. And the only good thing I see coming out of this cease-fire is that there is a temporary end to the violence.

But while the cease-fire is an occasion for hope and at least to take a breather, it's also time to look towards what it will take to reach a real and lasting peace, because we've had a lot of these cease-fires before and, obviously, there is no real peace in the region.

The foundations for peace are built on foundations of trust, and that means that both sides have to show leadership and prepare their people for peace, prepare their people for coexistence, prepare their people for the fact that the Jewish people and the Palestinian people are going to have to live side by side. And that's what makes me, at least, so skeptical that this cease-fire will last, because as long as Yasser Arafat talks one way to the West and another way to his own people, there cannot be peace. As long as Yasser Arafat instructs the young people of Palestine to hate the Jews in a way not unlike what the Germans did in the '30s in terms of stereotype, in terms of pictures and in terms of words, then there won't be peace.

So Hillary and I today are urging President Bush to press Yasser Arafat to end the use of hateful, anti-Israeli rhetoric in official Palestinian statements, school books and newspapers, and make that agreement a precursor to any future talks.

When the young people in the Palestinian areas are filled with hatred, how do you expect them to make peace? When the textbooks infuse them with a vitriolic fervor against Israel and the Jewish people, how do you then say that they won't become people who strap bombs onto themselves and blow up innocent teenagers?

It doesn't matter how many negotiations we have, it doesn't matter how many summits, how many times we send the CIA director or the secretary of State to the Middle East. When the foundations of peace are poisoned by the rhetoric of hate, they are destined to fail. We are tired of going up the mountain and then falling back down, up the mountain and falling back down. The quest for Middle East peace is like Sisyphus. And we know we're not going to get peace until Yasser Arafat and the Palestinian Authority come clean.

I believe that they have to arrest all of the terrorists they released in September to make the cease-fire be real. But we also believe that they can take a very important step, that there's no good reason to avoid, by cleansing the Palestinian textbooks -- given out by the Palestinian Authority to the children in the schools -- of this kind of language.

And so that would be a concrete step that Yasser Arafat could take, one that he can't claim would get in the way of his negotiations. Nothing in the Palestinian covenant says they have to poison their children with hatred towards Israel and the Jewish people without any real change.

Now let me point to a few examples. They say there is no alternative to destroying Israel. And the maps near that language do not just show Jerusalem, but they show Tel Aviv and Ashdod and Ashqelon right along the coast. And then they "all of Palestine is ours." Here they say, "The clearest examples of racist and racial discrimination in the world are Nazism and Zionism." Well, imagine, how are they going to make peace when the kids believe all this? "The flare will continue to burn and light up the difficult path before the Palestine generations one after another until the flag of Palestine is raised over Jerusalem. There is no alternative to destroying Israel."

That's not Hamas. That's not Hezbollah. That's the Palestinian Authority, headed by Yasser Arafat, teaching the Palestinian children.

I'd love to believe that there's going to be peace. But I've been disillusioned and disappointed so long, I think Jewish people in America and in Israel, I think lovers of Israel, Jew and Gentile, in America need some kind of tangible sign other than verbiage and a simple cease-fire when there's world pressure.

This would be one of those. We're hoping the president and others make this part of the negotiations.

SEN. **CLINTON:** Well, I want to thank Senator Schumer for his leadership on this and so many issues.

And I want to begin by expressing, you know, my most heartfelt hope that the latest breakthrough cease-fire agreement between the Israelis and Palestinians can be the first important step toward a strong and lasting peace that guarantees the safety and security of Israel. For the sake of all of the families who have lost loved ones and endured terrible suffering, I hope that this will mean an end to the violence.

And I join in congratulating and thanking this administration and CIA Director George Tenet for his help in moving both sides toward this agreement. And I fully support their work to bring and promote peace in the region.

But as Senator Schumer has said, as members of the administration have said, and as I say today, we have to be very watchful and very vigilant about what goes on from here.

You know, I have said on numerous occasions that you can't preach peace while you're teaching hate. And that is what we see so clearly illustrated on these charts today. In order for any agreement to work, the Palestinian Authority must cease the use of hateful rhetoric in their official statements and must erase language of hatred and intolerance from their textbooks. You know, such language is not instructive; it is inciteful. And it incites violence, and that's what we have to do everything we can to avoid.

That is why today Senator Schumer and I are sending a letter to the president urging him to make absolutely clear to Yasser Arafat that real and lasting peace is not possible without a full and immediate cessation of the Palestinian Authority's hateful rhetoric. Their deeds must match their words. There can be no doubt; there is a deliberate effort to promote vile ideas and images, to deny the legitimacy of Israel, to encourage violence and foster racist attitudes among a new generation of young Palestinians. From history books and maps to simple grammar exercises and language lessons, Palestinian children are being inculcated with hate for Israel and the Jewish people.

Last September I had the honor of joining Nobel Peace Prize winner Elie Wiesel in New York to denounce the lessons of hatred and violence that are part of the core curriculum in Palestinian schools. And I am highly disappointed that despite past promises from the Palestinian Authority to remove anti-Semitic rhetoric from their textbooks and government publications, we have yet to see any results or concrete action to move us in that direction. These charts show that anti-Semitic rhetoric remains one of the pillars of the Palestinian educational system.

You know, hate is not something children are born with; it's something they must be taught over and over and over again, from their parents, from their teachers, from their peers, from their media. And if we allow these teachings to continue, another generation will grow to adulthood having been brought up on a steady diet of hate and distrust.

So again I call on Chairman Arafat and the Palestinian Authority to immediately remove all anti-Semitic, anti-Israeli rhetoric from Palestinian school textbooks in each and every grade, and to do everything to remove those similar kinds of comments from any official statement or publication.

And I urge the Bush administration to do everything in its power to persuade the Palestinians to reverse their hateful rhetoric and embrace the opportunity to move toward a strong and lasting peace in the region.

You know, I was speaking with someone who's very knowledgeable about the region, and he said something that just really brought chills to my heart. He said that we are on the last stop on the elevator ride to hell.

This has to be the top priority of all people who care about children, who care about peace, who care about the kind of stability, safety, and security that Israel should be guaranteed,

and who care about the future of the Palestinian people. And it cannot be done if we don't take a strong stand against hateful rhetoric and make it clear this must end.

So we're hoping that this will be part of any further negotiations and discussions that the administration holds about the future of the region.

SEN. SCHUMER: Thanks, Hillary. I just want to read two things here that I thought we should. One is from the Palestinian official newspaper, Al Hayat. This is what they wrote last month. Quote, "The day of judgment will not come until the Muslims will fight against the Jews and kill them, until the Jews will hide behind stones and trees, and the stones and trees will say, 'O servant of Allah, there is a Jew behind me. Come and kill him.'"

And the sixth-grade textbook called, "Our Country Palestine," put out by the Palestinian Authority, says, quote, "There is no alternative to destroying Israel." And then says, "All of Palestine is ours" -- and it's everything, not pre-'73 and not pre-'67, but pre- 1948. And in the past, we used to think -- a lot of people in America and even Israel would say this is just rhetoric; let's ignore it and go forward with peace.

What the turn-down of Barak's courageous offer shows is that the rhetoric prevents peace. Yes?

Q Did you study any of the Israeli textbooks?

SEN. SCHUMER: There's nothing even close to comparable here, nothing that says kill the Muslims, nothing that says we want to take over all of what is -- what was on the West side of the Jordan -- nothing even close.

Q And can you tell us how widespread the use of these textbooks are?

SEN. SCHUMER: All the schools.

SEN. **CLINTON**: They're required.

Q They're required textbooks?

SEN. **CLINTON**: Yes.

Q Why should the president listen to you on this issue?

SEN. SCHUMER: Because it makes sense.

Q Have you spoken to him about the Middle East previously?

SEN. SCHUMER: I have spoken -- I have spoken to many people in the administration, including the president, about Middle East peace.

SEN. **CLINTON**: Well, I think that the reason anyone should listen to what we're saying is that it's very clear that you can't on the one hand be talking about peace, and on the other hand be teaching the children to hate. You know, there's that old song in -- I think it was "South Pacific" that "Children must be taught to hate quickly before they're seven or eight."

This is a problem that certainly exists around the world, but nowhere more acutely than in this region. And we're hoping that, as I called for last September -- as many of us have said many times over, that no true and lasting peace that guarantees safety and security for Israel and the people in the region can be accomplished unless people change their attitudes. And if they are being taught this kind of hate in their schools, then it's going to be very difficult to bring about the kind of peace that Americans in administrations in the past and present are trying to achieve.

SEN. SCHUMER: I just want to say, just speaking for myself, I have no faith that this cease-fire is going to last, and the reason are things like this. They are temporary and then they go right back. And until Yasser Arafat shows some real dedication to peace, which Israel has shown, particularly in Barak's offer, one can have little faith.

Real dedication -- this is sort of an easier thing for him to do, but he also has to arrest the terrorists.

Q Could you both comment on the president's decision on Vieques, about bombing there --

SEN. SCHUMER: Sure. I believe the president's decision on Vieques is a good first step, but it doesn't go far enough. To wait three years, to wait till 2003, is not going to do the job, and the pot is going to boil.

You know, it's bad for the armed forces and it's bad for Puerto Rico to have the Puerto Rican people and the military at total loggerheads. More people from Puerto Rico enlist in the armed services than from any state; a higher percentage. And there is great dedication to the military, in general, in Puerto Rico that's being destroyed by Vieques. The trust between Puerto Rico and America is being destroyed.

So I'm glad that the president is getting involved, but I think that he should encourage an immediate referendum, like Governor Calderon is, and abide by that referendum. I am confident that the Navy can find alternative sites, and by admitting that they can leave in 2003, the president himself is saying he agrees there can be alternative sites.

SEN. **CLINTON**: You know, I have for quite some time supported an immediate and permanent end to the bombing in Vieques. As I read the reports in the press today, this White House "plan" -- so-called -- is a mirage. You know, it promises no more than has already been promised -- an end to the bombing by May 1st, 2003. Now, that's already the policy of the United States government, and if the people of Vieques vote for such an end this November, one has to question what is the motivation for this announcement -- and, in effect, it's really a leak -- of what they're intending to do.

You know, could it be a cynical effort to circumvent the referendum that Governor Calderon signed into law for the end of July, or the one that is supposed to be scheduled for November 6th? You know, the first one will allow the people of Vieques to vote on the question of whether the bombing should end immediately, and rather than wait to hear the voice of the people, it appears that the White House wants to bypass the citizens of Puerto Rico, and particularly Vieques, and to set in stone a policy of continuing to bomb until 2003. I think that's unacceptable. It's unacceptable, certainly, to the people of Vieques and Puerto Rico, their elected government, and to many of our constituents in New York.

What worries me is a supposed commitment to end the bombing years from now while asking the Navy to study alternative sites, knowing that the administration and the Navy could easily change their mind. I read in the press the comments of a fisherman in Puerto Rico by the name of Ivan Ventura, who is quoted in this morning's Washington Post as saying it should stop now; how many things can happen between now and 2003? And the bottom line for me is that if the bombing is wrong in 2003, it's wrong in 2001, and it should stop now. So I'm hoping that, as Senator Schumer said, there's some, you know, positive motivation behind this move. But I have to say that I question it. I question the timing and I question the motivation.

Q What do you think the motivation is?

SEN. **CLINTON**: Well, I think the motivation may very well be just to buy time and to undercut the referendum that the government of Puerto Rico has passed, that the governor signed, to hold a referendum that adds a third option to the two that were agreed to for the November referendum; and that is, the immediate cessation and ending of the bombing in Vieques. So to me, I'm just questioning whether this is a cynical move to try to divert attention from what is a failed policy that should end now, or if there's anything more behind it, I have yet to see it.

Q Senator Schumer, do you agree with that?

SEN. SCHUMER: Agree with what?

Q That this is just a cynical move by the White House to undercut the referendum?

SEN. SCHUMER: I don't know the White House's motivations. I think it's better that they get involved than they just leave the status quo. But I don't think what they've done is at all adequate. And I agree with Hillary that the bombing should end now. I hope that as the president explores this issue, he will see that, he will see that the continued confrontation is bad for Puerto Rico, is bad for the Navy and the armed forces, and that it's much better for each side to be getting along well with one another.

Q Senator Schumer, do you think this could have something to do with Republican attempts to court the Hispanic vote?

SEN. SCHUMER: You know, again, I don't want to get into motivation, okay? You've got to look at the actions and make your judgments accordingly. And my view is, yes, Mr. President, get involved, but do a heck of a lot more than you've done so far in terms of cancelling the bombing now as opposed to down the road. Let the -- encourage the referendum of the people of Vieques on July 29th and say you'll abide by the decision. That would be a simple and easy and graceful way out for everybody.

Q Do you, Senator Clinton, have any thoughts about the Republican attempts to court the Hispanic vote -- (off mike)?

SEN. **CLINTON**: No, I don't have any knowledge of that. I'm not going to comment on it. I just think that clearly this is a situation that has provoked a needless confrontation between the people of Vieques and Puerto Rico with the United States Navy.

And I would just reiterate what Chuck said. You'll not find any more patriotic citizens in America.

You know, unfortunately, there are a lot of Americans who don't even know that Puerto Ricans are American citizens and -- who have served with distinction and valor in the armed forces, including the Navy, for decades and decades.

And to create this ill feeling and to disregard the strongly held views of American citizens is, to me, very unfortunate. And we should end the bombing, and we should go about the process of evaluating and cleaning up the environmental damage and continuing the health study that is supposed to be underway to determine whether there are any health problems among the people of Vieques for the constant bombardment they've been under for all these decades, and try to create a situation in which we can, you know, really have a better outcome than this predicts to have.

SEN. SCHUMER: Thank you.

END

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON DEFENSE SPENDING. 7/18/2001

CLINTON: Thank you very much, Mr. Chairman.

And thank you, Secretary Wolfowitz for your service over many years and for being willing to come back to the government and take on this responsibility.

And I also appreciate Mr. Zakheim being here as well.

I think that you probably are getting a flavor of what I believe is the consensus in the Congress, and that is that on both sides of the aisle the majority of us want to do whatever is necessary and justifiable to provide the appropriate funding levels for defense. I don't

think that you'll see any opposition to well thought out requests that really do provide a basis for our long-term security in meeting both known and, perhaps, unpredictable threats.

The real dilemma, for those of us sitting on this side of the table, is how we do that. And I have to echo the chairman's questions that we really need your help in doing that, because we're in a situation that will make it very difficult to provide the kind of support that is requested.

You know that I have been honored to visit our troops and facilities literally all over the world. And I have seen our men and women in uniform literally on the front lines doing the work that they sign up to do, but that we need them to do for all of us. So I'm certainly among those who will support the kind of well thought out requests that I believe will support our services and put us in a good position for the future. But I am, as you might guess from the tenor of the questions, at least on this side of the table, looking for some help.

Now many of us have heard estimates ranging anyway from the \$18 billion to \$32 billion from the vice chiefs of staff, to \$50 billion from an estimate from former secretary of the defense, all the way up to \$100 billion from the Center for Strategic and International Studies. That's a very large range. And everyone starts from the same premise that they're looking at our position, looking at what we need to do to be ready to confront any of our security needs. And we, obviously, are trying to make sense out of such a broad range of defense funding need projections.

And I go back to your comments about projections. None of us know exactly what will happen in the future, but certainly many of us on the floor voted to increase money for defense in the budget and tax cut debate. We were ready to support Chairman Conrad's alternative that would have provided an additional \$100 billion over the 10-year window, which is on the high end of the estimates that have been projected. Many of us also supported other amendments from Senators Landrieu and McCain that would have reduced the tax cut to provide funding for defense.

Unfortunately, we got no help from the administration to try to have a more balanced approach toward cutting taxes and providing for defense. In fact, as you I'm sure know, and as I was somewhat surprised to read, even publications like the Weekly Standard have criticized the administration for fiddling with tax cuts while the military burned. And that article goes on to say that the real reason the White House is abandoning the two-war strategy is that under the current budget constraints they can't afford it.

So when that budget and tax cut was signed into law on June the 7th, I think, many of us really were, if not confused, at least concerned, that the administration was speaking out of both sides of its mouth.

On the one hand, you and Secretary Rumsfeld and the chiefs and others were conducting a review that we knew would lead to additional requests for funding. On the other hand, there was no willingness to make the hard political decisions that would have provided those dollars in the budget. And, in fact, 20 days later the president submitted a defense budget amendment that did increase the budget authority by the \$18.4 billion that we're faced with in this hearing.

Now what I'm struck by is whether or not the Department of Defense was involved in the overall budget preparation. I know a little bit about how budgets are put together in administrations, and I would like to know whether the White House knew at the time it came forward with its tax cuts and its opposition to those of us who were willing to increase defense spending in the budget, whether the White House knew the extensive budgetary needs that DOD would present and that were left out of the blueprint and the April budget? Or were you just left out of the overall budget planning and we're playing some catch-up right now?

WOLFOWITZ: I think throughout the process we have been in very close, essentially daily contact with our colleagues at OMB. You know, as you mentioned in your comments, there are a range of estimates about what defense spending needs are. I think it might be worth pointing out, and I don't know whether most of the outside estimates you mentioned, they're in the range of \$50 billion to \$100 billion; we're well under them. On the other hand, we are above the levels that were, in fact, considered during a budget debate up here, whether it's \$10 billion, I think, was Senator Landrieu's proposal or proposal from the Republicans on the Armed Services Committee.

We've tried to work very hard and to work with OMB to get these numbers down to ones that we can truly, fully justify. We worked hard and we will continue to work hard. You're asking for help to help in finding savings.

We're going to need some help from the Congress on that score. We came up with a proposal. We have a proposal up here that will get us some of the serious bomber capability that we need, but it requires taking 30 B-1s out of the force and using that money to upgrade the remaining 60. And judging from some of the complaints we've had from individual senators and congressman, it suggests that it may be a tough road forward to get those kinds of savings.

Peacekeeper is a different kind of example, where we have to ask for extra money in this year's budget in order to retire Peacekeeper. When we eventually retire Peacekeeper it'll take roughly \$150 million a year out of the budget. In my view, it should have been done quite a few years ago. But we have to ask for money to do it and we don't.

When we're talking about all these estimates and out-year trust funds and so forth, there's no credit given to the fact that the out- years there will be \$150 million a year in perpetuity that we have saved. I don't think the way the current system is set up it creates the right kinds of budgeting mechanism, scoring mechanisms to encourage kinds of savings I think you and I and practically every serious observer of the Defense Department would like to see.

CLINTON: So in other words, the administration was well-aware of the needs that would be required in defense at the time that they put forth their budget and the tax cut.

WOLFOWITZ: If you mean at the time they submitted the blueprint budget last year, we had only just -- in fact, I wasn't confirmed at the time. I don't know what well-aware means. We were in no position back then to give you the kind of detailed justification of a defense increase of the kind we've done now. And, in fact, we were working round the clock through May and June to come...

CLINTON: Well, there was no doubt that there was going to be a significant request for increased defense spending, was there, Secretary Wolfowitz?

WOLFOWITZ: I think that's precisely why they asked in the budget resolution to have this discretion for the chairman to put a new mark in for defense. I don't think anyone expected that mark would be lower. It was expected it would be an increase, and that we would, during the course of this work this spring and early summer, come up with the specification of that increase.

CLINTON: Well, you know, Mr. Secretary, I'm hoping that we're going to be able to work out the very difficult decision-making that will be required to do what you're requesting.

I would certainly add, on my own behalf, to the chairman's list of three alternatives, the alternative of revisiting the tax cut. You know, as I sit here and hear what are very serious concerns about our defense posture and our security needs, I am just amazed that we would be setting ourselves on a fiscal course that I believe will lead us back into deficits, that will pose the kind of impossible political choices that the chairman outlined with the Medicare and Social Security trust fund on the one hand, necessary discretionary non- defense

spending -- whatever you set that level at -- on the other hand, including education and the like, and our defense needs.

CLINTON: And I guess I would just ask you -- I know you're a student of defense and of our government. As you look down the next 10 years, what is more in the interests of our country: a huge tax cut that puts us into deficits and undermines our ability to meet our needs, or funding our defense needs?

WOLFOWITZ: Senator Clinton, I think what is most in our interest, looking down the road, is a healthy economy. And I think a lot of this argument about tax cuts comes down to judgments about what will produce a healthy economy in the future. I don't think you can have a successful defense program without a healthy economy, and that's why I can't say defense comes first. I do think they go together.

And I do think that there is no more important responsibility we have as custodians of the public trust than to try to ensure the future peace and safety of future generations. But I think part of that involves having an economy that continues to grow. The reason we have the surpluses we enjoy today is because the economy has grown. The reason we have the problem Senator Conrad is pointing out is because our growth is slowing. And I think a major judgment behind that tax cut is a judgment that it will contribute to economic growth.

CLINTON: Well, I could not agree with you more, and I would, you know, look forward to talking to you in the next five to 10 years about what does and doesn't work to create a healthy economy. I mean, one of the reasons that the prior administration had to make the tough choices it made is because it inherited deficits that were growing at a rate that was unsustainable, that froze out private capital.

And I would certainly argue that the fiscal responsibility that the past administration and Congresses engaged in that made it difficult to fund everything that was required, put us on the path to a strong economy. And I regret deeply that we've taken what I consider to be an unfortunate detour off that path, which will make the choices that you're asking us to make today ever more difficult.

But you know, the proof is in the pudding. We'll see how it plays out. But we're going to have some very tough decisions because we've squandered the opportunity of the accumulated surpluses to do the kinds of things with defense, with our failing infrastructure in other areas, that would make us as a nation richer, safer, smarter and stronger in the future, and that's what I regret deeply.

And we will, certainly speaking for myself, do the very best we can to meet the legitimate needs that you have presented to us today. But it's an unfortunate conclusion that I reach that we're faced with this instead of being able to make the kinds of planning for the future in defense and other areas that a strong, secure nation should be able to in a time of increasing threats.

And so I look forward to working with you, but I think we all have our jobs cut out for us.

WOLFOWITZ: Senator, I might say that I think economizing on defense is not a way to deal with long-term...

CLINTON: I didn't say that. I didn't say that. I didn't imply it. I wouldn't support it.

I'm just saying it's unfortunate that at a time when we had surpluses and an opportunity to do the long-term planning, instead we have given it away. And I believe given it away that leads us back into deficits that will make it even more difficult to meet the balanced kinds of challenges that our nation faces on both the domestic and the international front.

Thank you very much.

CONRAD: Thank you, Senator Clinton.

NATIONAL PRESS CLUB LUNCHEON WITH SENATOR HILLARY RO-DHAM CLINTON (D- NY), 7/19/2001

MODERATOR: RICHARD RYAN

LOCATION: NATIONAL PRESS CLUB BALLROOM, WASHINGTON, D.C.

SEN. CLINTON: Thank you, Dick. Thank you very much. (Applause.) Thank you. Thank you very much. Thank you. Thank you very much, Dick, and thank you for that gracious introduction. I am absolutely de-lighted to be here with all of you, and to have this opportunity to discuss an issue that is on my mind, and then to answer your questions.

I want to thank Jerry Zeremsky (ph) for helping to arrange this luncheon, and Kathryn Skiba (ph) for inviting me to be with you.

Let me though begin with just a word about a great loss for this city, our country and journalism. And of course I am speaking about Katharine Graham. The last time I saw her was just a few weeks ago, and we were talking about plans to get together again. She was always so hospitable and welcoming my family to her home on Martha's Vineyard. And earlier than that, when I was speaking at the American Society of Newspaper Editors, she happened to be there, being honored for her contributions to defending the Constitution as well as promoting the highest standards of journalism. And I called her at that time "Mother Courage," because to me she gave courage to a lot of us -- not just those in the media, but to many, particularly through her remarkable autobiography. And I think that may perhaps be even truer for young women. She will be greatly missed, and we offer our thoughts and prayers for her family.

I'd like to take my time today in this unique and respected forum to speak about an issue that is particularly on the minds of many New Yorkers, and increasingly has become something that I am committed to working on and speaking out about throughout New York, here in the Senate. And it's also very fortunate that it combines the concerns that are at the heart of my work on two of the committees on which I serve, the Environment and Public Works Committee and the Health, Education, Labor and Pensions Committee. And that is the hidden health hazards that surround us, the unnatural things in our natural world that are or could be posing a threat to our human health.

You know, nearly 40 years ago on the pages of the New Yorker, after being rejected by Reader's Digest, which might interest this audience, a biologist by the name of Rachel Carson, wrote these words: "For the first time in the history of the world every human being is now subjected to contact with dangerous chemicals from the moment of conception until death." Now, that seminal work, titled "Silent Spring," launched the modern environmental movement, and it encouraged government, science, industry and citizens to look at the inner relationship of our environment and our health in a whole new light.

"Silent Spring" is really a story about a silent century, because throughout the 1900s, a time of great industrialization and economic and population growth, we had small regard for what we were doing to our air, our land or our water. We really didn't know any better. In fact, until the latter decades of the 20th century, starting with pioneers like Rachel Carson, we only began to learn about what it was that we were doing to ourselves. Much of the activity

that created the environmental changes that concern me started as a result of war efforts, when it was absolutely essential that the entire country get behind preparing us to take on the threats that we faced in the Pacific and in Europe. And so we were doing a massive job of creating new products, new chemicals, and we really didn't have time to stop and think about what the impact might be.

And yet now, in the beginning of the 21st century, I think it's time for us to stop and take stock, so that we have a better understanding of what we have done, and are continuing to do, and can take appropriate measures to deal with any of the potential hazards that are created.

You know, concerns about chronic diseases like cancer or birth defects or asthma or autism extends to every community throughout our country. And also I am speaking I know here at the Press Club which is a place filled with seasoned and hardened and objective journalists, I suspect that in your own hearts and minds, and maybe even through your own families' experiences, you might share some of the anxiety that I hear on a regular basis from my constituents.

You know, chronic diseases like asthma, heart and lung disease and others are caused by three factors: genetics, behavior and the environment. Now, we are making great progress in mapping the human genome. And some of you who followed me on the campaign trail throughout New York know that I talked incessantly about the human genome. I just couldn't get enough of what it is we were discovering, because I found it one of the greatest accomplishments of humanity. And it is going to give us tremendous amounts of information that will help us better prevent and treat the problems that we may have inherited, or the susceptibilities that we carry.

Now, as for human behavior, each one of us I am sure makes our New Year's resolutions, and swears to do better, because we have a lot of information about what we do to ourselves. You know, we know we should-n't smoke, we shouldn't drink too much, we should eat the right foods, we should exercise. A study released last week in fact examined people who belonged to a particular religion whose members follow a very strict regimen of diet and exercise and, perhaps not surprisingly, they tend to live 10 years longer than their neighbors. Now, I have friends who say, Well, who would want to live those 10 years? (Laughter.) But the fact is that they do, and I suppose the one lesson we could draw is convert -- (laughter) -- but at a minimum we should convert our lifestyles to maximize our chances of living a healthier life, and frankly saving health care costs for treatments that could be avoided had we taken better care of ourselves.

But today let's talk about a third, silent factor, the hidden health hazards that are in the world around us that currently we have so little knowledge of or control over, dangerous conditions that threaten our lives, and particularly the lives of our children that we often cannot hear or see or smell or touch. But it is the stealthy, crippling nature of these hazards that manifest themselves in unexpected cancers, brain tumors and other diseases that I think we have to address. We are only beginning to understand their nature and their scope and the relationships between them and us.

Now, in recent years, mostly through the study of twins, researchers have shown that our behavior and our environment play a much greater role in causing chronic disease than we ever once thought. As researcher Judith Stern put it so vividly, "genetics loads the gun, but

the environment pulls the trigger." So we need specifics. Is the drinking water on our tables going to harm us? Will holding cell phones against our heads for hours some day cause a brain tumor? How about the pesticides on the laws in front of our homes or our children's schools, or on the fruits and vegetables that we buy at the store? What about the cumulative effect of extended exposure to a variety of environmental factors over a period of years? Is there some unknown synergistic impact on our health?

Now, at least science and medicine, public officials and citizens are asking these kinds of questions. There was a time that I remember very well when we didn't know any better -- you know, when we laid out in the sun and baked for hours. And I can remember -- and maybe some of you had the same experience -- during my own childhood when the local truck that sprayed for mosquitos would come down our street, we thought that was a great occasion. We would jump on our bikes, we would chase it with you know the clouds of pesticides blowing in our faces. And, I know, I can hear some of you thinking, Well, that explains a lot. (Laugh-ter.) But, you know, I don't advise it to anyone listening or watching. And so we have come a long way in understanding obvious risks like that.

One of the first major discovering about the link between the man-made environment and our health concerned lead -- lead in gasoline and lead in paint, which can cause reduced IQ and behavioral and learning disabilities in children.

Now, since we began to phase out lead use in the 1970s the number of children under the age of 6 with blood levels of lead above the current health standard has decreased by over 80 percent. But even armed with irrefutable evidence about the impact of lead, we still experience problems with exposure that do in many ways defy our own common sense, because we are still seeing the results of lowered IQ and behavioral problems that should be and could be avoided. For example, in New York State, where the cases of lead poisoning have dropped in recent year, we still lead the nation in the number of older houses with lead hazards. After all, who knew that that paint 50 years ago would cause these kinds of problems?

And research released earlier this year by scientists at the Children's Medical Center of Cincinnati found that children who had even less blood levels of lead than deemed acceptable by current federal standards still experienced a reduction in their IQs.

So, while we are coming to grips with the health threats from lead, there are so many other things we should be taking a hard look at. We know that chronic diseases are the number one killer of people in our country, that three out of every four of us in this room will die of a chronic disease. They also account for over 70 percent of our health care costs, about a third of a trillion dollars a year in care, treatment and lost productivity. Now, that is slightly less than the federal government spends on Medicare and Medicaid combined, and more than we currently spend on defense.

And the incidence of chronic disease is on the rise. A report being released today shows children in America experiencing a 20 percent increase in asthma in the past 10 years alone. It is the number one cause of school absenteeism. Now, we have also seen big increases in endocrine and metabolic disorders, such as diabetes, and neurological diseases such as Parkinson's.

Despite the enormity of the chronic disease problem, we have no way to effectively and comprehensively track the outbreak of most chronic diseases nationwide. Now, we do track infectious diseases, and for good reasons -- because we need to respond quickly when an infection appears. But we do not, for example, track birth defects nationally. They are the leading cause of infant mortality, according to the Centers for Disease Control.

But the cause of 70 percent of all birth defects -- 70 percent -- is unknown. We are making progress on map-ping cancer cases, but we don't keep track of autoimmune diseases nationally. We don't monitor in any on-going, comprehensive manner the outbreak of asthma in children across the country.

Now, thanks to widespread news coverage this week which resulted from aggressive monitoring of infectious diseases, we know that a crow in southern Georgia died from exposure to the West Nile virus. Now, a crow dies and that is and should be national news because of what it tells us about the spread of that disease.

Fighting these infectious diseases like West Nile is a crucial part of our national public health agenda. But when a child living near a toxic waste site gets leukemia, where is the public health alert then? Why don't we hear about it until a dozen children have cancer? I believe it's because we cannot easily understand why these diseases are occurring and whether there may be any way to make linkages among similar cases of chronic illnesses. Now, on occasion we do, thanks to state and local public health officials, sometime even due to word of mouth or investigation by the media, learn about a cancer cluster or other disease clusters, and we then zero in on it and try to find answers to it.

Now, take Libby, Montana, the site of a former vermiculite mine where one in 40 residents had died or suffered from illnesses related to asbestos. The public health problem was not fully realized until the Seattle Post-Intelligencer pieced the story together just last year. Or take the cases of lung cancer on Staten Island in New York, reported by the New York Daily News yesterday, Tom, where people are afflicted with the disease at a rate 40 percent higher than the rest of New York City, which is not explained by rates of smoking.

Or take a more personal look at this. Three people -- Dustin Gross (sp), Zachary Beardsley (sp) and Karen Jo Miller, who's with me today -- they all have or have had cancer, and they and their families don't know why. Dustin and Zachary, both about five years old, live in Fallon, Nevada, and both have leukemia. In fact, 14 children have been diagnosed with leukemia in Fallon in recent years.

Now, the odds against so many children having the same kind of cancer at the same time in a small town with a population of about 8,000 are extraordinarily high. I went to Fallon with Senators Harry Reid and John Ensign in order to hold a hearing for the Environment & Public Works Committee to try to hear what experts and citizens had to say. And we learned that Fallon is home to a naval air station, actually the home of Top Gun, where they use a lot of jet fuel.

And Fallon's drinking water contains 100 parts per billion of arsenic, 10 times the level deemed safe by the Clinton administration. And it's an area where there's a lot of farming, so pesticides are regularly used. Now, what, if any, does that have to do with the cancer? We don't know. But if you were the parent or if you were sitting where I was sitting, with

Harry and John, looking into the eyes of parents who were looking for answers, I think you'd agree we owe people a better response than what we're giving them right now.

Karen is a woman who was diagnosed with breast cancer. She lives on Long Island, where breast cancer occurs at rates above what we would expect in any random sample. And many women and their families are understandably worried, because, again, Long Island is a place where a lot of farming went on for a very long time, where there was a heavy buildup of military, defense-related industries, starting in and around the Second World War and continuing, where there's an aquifer that runs the whole length of the island that is the repository for what drains off, and many other potentially questionable matters that happen all over the country that occur on the island, like, for example, you know, electromagnetic fields or the quality of drinking water.

I held a hearing of the Environment & Public Works Committee there, along with Senators Harry Reid and Lincoln Chafee, and we heard again from experts and from citizen experts like Karen, asking questions. And because of the very good work of my predecessors, Senator Moynihan and Senator D'Amato, the Long Island breast cancer research study is ongoing, and we're going to try to find some answers by linking genetic information with environmental information. So we have a lot of work still ahead of us to understand what it is that is happening with the persistence and increase of chronic diseases.

Now, we fear the unknown so much more than we fear what we do know. We're a nation where most of us believe in God and we can understand maybe, although it is hard at times, why this person is randomly hit by lightning or inherits a genetic predisposition to a particular disease. We can also understand how our personal behavior, like smoking or eating the wrong foods, could cause health problems. But what we're not prepared to accept is that a cancer or a birth defect for a little boy or girl may be there because of some man-made environmental cause or contributing factor; in other words, something we could have prevented and failed to do so.

Now, I'm not sure that I or anyone could have come here and made this speech before the beginning of this century, because we just didn't know enough. And we didn't have the information technology available and we didn't have the mapping of the human genome, and we weren't as aware as we needed to be. So knowledge and awareness coming together really makes this the moment when we can begin to fight back.

Now, in Hinckley, California, as we all know, Erin Brockovich fought back when she helped victims of pollution go after the utility company that poisoned their water with Chromium 6, which causes cancer as well as liver, kidney, circulatory-system and nerve-tissue damage. In Marion County, Ohio, the residents are fighting to find out more about the higher-than-normal number of leukemia cases among the graduates of one high school that sits on top of an old toxic U.S. Army waste dump. Thirteen youngsters who attended one of the high schools in Elmira, New York have been diagnosed with cancer since 1997. It, too, was built on a former industrial site where 2,000 cubic yards of soil contaminated with lead, cadmium, chromium and other pollutants was recently removed from the area.

On Long Island, Karen Jo Miller and so many brave survivors are fighting back. She formed the Huntington Breast Cancer Action Coalition, which, among other many good works, has helped to complete a map that compares the incidence of cancer and toxic waste sites in her community.

But I don't think we can leave this to local people fighting on their own. I think it's time for us to fight back on the national level. And for the past several years, we've been training for this fight. Now we need to take the next step. And I think there are eight big things for us to do in the fight against hidden health hazards.

First, establish a comprehensive national tracking system for chronic disease. That's the brain child of the Pew Environmental Health Commission, and it's a cause being advocated by advertisements in many of the publications represented here; by Health Track, whose executive director, Jim O'Hara, is here with us today. It's worked on the regional level.

As a result of cancer-tracking efforts, elevated rates of oral cancers among women in the southeastern United States were linked to the use of chewing tobacco. Similarly, elevated death rates for lung cancer in coastal areas of Georgia, Virginia and northeastern Florida and Louisiana were eventually linked to exposure of shipyard workers to asbestos during World War II. We need that kind of attention to the details of chronic disease nationwide.

Second, put environmental health officers in every state's public health department. I was surprised to learn we don't do that. We have infectious disease officers, but not those who track chronic disease and who also are responsible for tracking the environmental issues. Now, that is someone who citizens could turn to when they're concerned about possible sources of pollutants, and it would provide a force of public accountability as well.

Third, create a chronic disease rapid-response force, as advocated by the Pew Commission and the Trust for America's Health. This force would bring environmental, scientific and health experts into potential cancer and disease clusters, including those revealed by the national tracking system. As my friend and colleague, Senator Harry Reid of Nevada, says, we want to have a protocol established; like when there's an airplane accident with the National Transportation Safety Board, we would send in the chronic disease rapid-response force.

Fourth, we should properly fund chronic disease prevention and research. Now, we know that the cost of such diseases is staggering. One hundred million people have chronic disease which costs us more than \$325 billion in annual health care and productivity costs. Yet the administration's '02 budget request cut chronic disease prevention and health promotion at the CDC by \$175 million, or 23 percent, and did not increase CDC's environmental health program by a penny.

Research funding is important because we are on the verge of major discoveries, thanks to advances that we celebrate in genetics and in the science that researchers are now bringing to study toxins at the molecular and genetic level. Similarly, advances in information technology give us the tools to do what we couldn't have done before.

Fifth, sick, sick schools. I have an amendment in the Senate-passed education bill calling for a study on the impact of sick schools on kids. There's growing concern that schools with poor air quality, mold, inadequate ventilation, crumbling structures and bad drinking water, as well as those built on top of toxic waste and former industrial sites, are harming the learning ability and health of students. According to one GAO study, 15,000 schools in our country have indoor pollution or ventilation problems affecting over 11 million children.

Sixth, clean up brownfields. There are an estimated 600,000 brownfield sites around the country. The Senate passed a bill, I think 98-0, to help communities clean up these contaminated lands. And the bill includes an amendment that I sponsored to target assistance to neighborhoods that are experiencing a high-er-than-normal incidence of chronic disease.

When I was with President Bush in New York recently, I had a chance to speak with him about this bill, and I was very pleased to hear that he supported this idea and was very enthusiastic about it. And I hope the Congress will act soon to send the bill to the president for his signature. Then, of course, we'll need to get on to Superfund reauthorization, but let's deal with brownfields first.

Seventh, we need to improve air and water quality. We know that polluted air exacerbates respiratory illnesses such as asthma, and may even contribute to heart attacks. And the water we drink is life-giving, but contaminants can be harmful. I'm pleased that the new chairman of the Senate Environment Committee, Jim Jeffords, is committed to moving legislation that will reduce the pollutants in our air and provide more funding for our nation's infrastructure for clean water.

And eighth, we have to coordinate pollution and disease data so that when we get this information, we can integrate it and draw conclusions about what is happening. And if something happens in Nevada and on Long Island, we can find out what common ingredients there are to have caused these that we then can act on nationally.

Now, we need, though -- and I want to reiterate this point, as I have in each of the hearings -- even though we cannot ignore these hidden health hazards, we should not rush in the opposite direction and scare people into believing that everything is a hazard or a problem. We need the facts to replace the fear. A lot of the anxiety people express to me is based on their concern, but there is no factual basis to either prove or disprove that concern, which is what I think we need the science to begin to prove so that we can answer the questions that people legitimately have.

Let me cite one example where more facts are needed. I would just be curious to know how many of you in this room have ever let your children or grandchildren play on wooden playground equipment, and how many of you knew at the time -- I certainly didn't -- that the wood in most of the playground equipment has been treated with arsenic?

And the reason it was treated with arsenic was to make it repel pests so that termites and other insects wouldn't eat away at it. But this is arsenic that, through rain and natural deterioration, can leach onto the ground and directly into the little hands and then the mouths of a lot of children who play on that equipment, and if they were anything like me, spent as much time on the ground as on the equipment.

Now, I don't think we need to be reminded that arsenic is not a good thing to have our children ingesting. An ounce of pure arsenic -- and I'm not very good at judging this, but if you were to hold up a glass of water and imagine an ounce, an ounce could kill everyone in this room.

Now, arsenic's deadly power, when taken in large doses, has been known for a very long time. "Arsenic and Old Lace" is a perfect example of that. But what we didn't know until

recently is how a very small, minute amount ingested at low doses over a long period of time could also be harmful. We now know that such low dosages can cause bladder, lung and skin cancer, and possibly other cancers as well. We know it is toxic to the nervous system, can cause heart and blood- vessel problems, and may suppress the immune system and heighten the risk of diabetes.

Now, in light of these concerns, the Consumer Product Safety Commission is seeking public comment on a proposal to ban wood treated with chromated copper arsenate from playground equipment. We don't know how the CPSC will ultimately vote on this, but I'm delighted that they have voted to let the public comment on this idea.

I've previously publicly stated my concerns about the president's nomination of Commissioner Gall to chair the commission, because this is one of those issues that I want to be sure there is a balanced approach toward, and her philosophy really errs on the side of favoring industry and manufacturers. So I'm hoping that will not be the direction of the commission.

And certainly I can't mention the word arsenic without also saying how troubled I and so many others were about the Bush administration's delay in implementing tougher standards. Now, I know one of the reasons -- and it was a legitimate reason -- is that it would be expensive for many of the communities facing this challenge to do on their own. That's why I believe that the federal government should help communities such as those in Fallon and Albuquerque, other place, deal with problems like arsenic in the drinking water.

And I'm hoping that this will help the administration to rethink some of our priorities, because we have a massive underinvestment in our water infrastructure and we're paying a price for that. So my deep concern about the delay in actually promulgating the standards which were supposed to have been set by June 22nd is that we are delaying enacting a regulation that had been thoroughly studied, for which there is very sound science. And that is not the way we should proceed in dealing with the hidden health hazards, because once they are no longer hidden, we should have the will and use the resources to act.

Now, I began with some words from Rachel Carson. Let me close by quoting her again, and, appropriately for this audience, from an interview she conducted with CBS News. She said, "You know, man's attitude toward nature is today critically important, simply because we have now acquired a fateful power to alter and destroy nature. But man is a part of nature, and his war against nature is inevitably a war against himself. We are challenged as mankind has never been challenged before to prove our maturity and our mastery, not of nature, but of ourselves."

Now, I hope we will meet that challenge. I think the eight points I've outlined could be a good beginning to help us do just that, to begin a journey of discovery, unafraid and not hysterically, but with a maturity that brings people together, takes a hard look at the information, investing the research that will give us more data, and then act on the very best evidence that we have before us to prevent disease and particularly to begin tackling the extraordinary human and economic costs that chronic disease imposes on our country.

Thank you all very much. (Applause.)

MR. RYAN: Thank you, Senator. As you can see over here, we have a number of questions to ask. I'd like to start out by -- this questioner suggests that what you propose is going to cost a lot of money. Do you know how much it might cost and how much the taxpayers will be asked to foot the bill?

SEN. CLINTON: Yes. The Pew health tracking project estimates that it would cost about a dollar for every person in America -- that's \$275 million -- to get such a system up and going. And that would be an annual cost that, in the beginning, I think would probably approach that for the first years. And then, of course, as, you know, we became more efficient, I would hope that it would be cost-effective even below that. But \$275 million to me is an incredibly good investment when we think about the \$325 billion that we spend treating disease instead of preventing it.

And so I think that the estimates that the health-track system has put forward seems, you know, very reasonable to me. And I would just add that it's one of the many reasons why I believe that the administration has missed an opportunity to make the kinds of investments that will make us as a nation richer and safer and smarter and stronger in the future, because of their decision to go with a very large, in my view, fiscally irresponsible tax cut. We're facing challenges that are going to be difficult to meet from defense and from health care and from many other areas.

MR. RYAN: This questioner asks, how can we expect to mitigate the effects of pesticides and other forms of cancer-causing agents when Congress and the administration appear not to be providing sufficient resources for the EPA to carry out its job?

SEN. CLINTON: That's a very good question, and it goes back to what I was just saying. I really believe that investment in this kind of research and in the sort of enforcement of regulations and laws that will make our air cleaner and our water safer are really not only in our best human interest but make such economic sense over the long run.

You know, our air is cleaner today in many areas because of actions that were started 30 years ago. A lot of our lakes and rivers are cleaner because of enforcement. I was troubled to see that the administration might postpone the clean-water rules that had been promulgated by the previous administration. I just believe strongly that the commitment to the environment is no longer a fringe issue. It is very much a kitchen-table concern of people all over our country.

You know, you could not have gone to a more conservative or Republican place in America than Fallon, Nevada. Harry Reid told me, when he invited me to go -- well, after I'd accepted -- (laughter) -- he said, "You know, they only gave me about 21 percent of the vote." I said, "Harry, if they only gave you 21 percent of the vote, I don't know what they're going to make of me if I show up." But those were, you know, very decent, hard-working people who now are asking some very tough questions about why all these children have leukemia, and one just recently died.

I just think we've got to say very clearly there is not a conflict between the economy and the environment, our energy policy and our health care policy, if we do it the right way.
(Applause.)

MR. RYAN: Given your concern about the environment, do you think the United States should adhere to the Kyoto treaty?

SEN. CLINTON: Well, I was disappointed that the administration repudiated the treaty. I certainly can understand that there may be certain aspects of the treaty that deserve a second look and maybe some renegotiation, which had anyone asked me, I would have said, you know, if you don't approve of the treaty as a whole and you think there should be more requirements placed on the developing world, then don't repudiate it but go in and try, based on the fact that you're a new administration, to renegotiate or change some of the provisions or postpone the schedule of enforcement in some way, but don't repudiate America's global leadership on this extraordinarily significant issue of global warming.

Again, there is no doubt about the science, despite some people's efforts to persuade us otherwise. We know that we are experiencing global warming. We are experiencing increases in severe weather throughout the globe. And we pay a very big price for that in insurance costs in our own country and federal reimbursements and the like.

So I would hope that something could come out of the current conference going on in Bonn that would enable the administration to put our country back into a leadership position on this issue. I don't think we should be outside the circle of nations, particularly our European allies and Japan and Canada, who are trying to grapple with a serious threat to the well-being of our grandchildren and great-grandchildren. (Applause.)

MR. RYAN: A number of questioners would like to know what your position is on stem-cell research.

SEN. CLINTON: Well, I was very impressed with Senator Frist's thoughtful statement yesterday and very encouraged that his support for stem-cell research perhaps presages a similar position on behalf of the administration. There were some specifics attached to his position that I think are worrisome to scientists that I would like to see thought about more carefully, but the basic idea of committing our country to such research, I think, is in our best interest.

One issue, though, that I am troubled by is that so far the debate has focused on public funding, where our federal dollars go to support such research. And that is, of course, appropriate, because those are the purse strings that we hold. And to have the kind of open, transparent system that Senator Frist spoke of yesterday in the public sector, I fully support.

But I'm also concerned about private financing. I don't believe that it would be in our best interest or, frankly, up to our highest ethical and moral standards with respect to the very difficult questions that this research posed and the unintended consequences that can flow from it if we put the private funding sort of off to one side and permit it to go forward without any kind of check or balance.

I would like to see us look at a decision that Great Britain made so that both public and privately-funded research has to adhere to comparable scientific standards and meet ethical standards that are set by a commission that consists of people with expertise and input. So we should be able to pursue this research, which I think is so critical for many of the diseases that I talked about, but I also believe we've got to be very careful. So it's a difficult decision. I'm on the side of going forward. But I want to be sure we have appropriate checks

in place so that we don't find ourselves going down a path of cloning, for example. That would be, in my view, very dangerous.

MR. RYAN: A couple of questioners note -- one says, "Do you think there will ever be a national health care system in this country?" And the second, "Do you ever think the United States will have socialized medi-cine?"

SEN. CLINTON: (Laughs.) I can't imagine why anybody would ask me that. (Laughter.) The answer to the second is no. But the answer to the first, I think that we're going to have to revisit how we finance our health-care system. And I have no way to predict what -- (applause) -- what the outcome of such a debate will be. I'm certainly prepared to tell whoever leads it what not to do. (Laughter.)

But I would hope that it would be a subject of increasing concern, because we're spending nearly 14 percent of our gross domestic product on health care in our country. We don't cover everybody. We don't have the kind of public-health system that some of our friends in other parts of the world do, which has very good outcomes for their patients.

We see our great hospitals, particularly in places like New York City, under tremendous financial stress, be-cause there is no way for a teaching hospital or an academic medical center to provide the services they traditionally provide in a for-profit health-care system. You cannot train doctors and nurses for a profit. You can't take care the sickest of the sick or the poorest of the poor for a profit. And you can't expect every bit of research that you carry out in your labs to lead to a blockbuster drug. And yet, if we don't have those functions being performed, then the rest of our health-care system suffers. We're facing a tremendous nursing shortage. There's just a lot that we're going to have to come to terms with.

I'm delighted that the Senate passed the patient's bill of rights. I hope that it gets through the House and gets to the president, and I hope he will sign it, because I think first things first; we have to put doctors, nurses and patients back in the center of the health-care system and not HMOs and accountants and others who are engaged in -- (applause) -- you know, denying or delaying care. But even when that is passed, we are nowhere near dealing with the internal inconsistencies of the way we finance health care.

And one thing I don't think I was ever very successful in doing, you know, seven and eight years ago was separating out the delivery of health care from the financing of health care. The financing -- if we were to start fresh and design a financing system for health care in our country, there is no way any business, any union, any health-care professional or any citizen or legislator would ever accept what we currently have. And we're just going to have to face up to that. And I hope that, you know, we'll be able to do it in a very open, bipartisan manner sometime in the future. (Applause.)

MR. RYAN: There are quite a number of questions here that refer to Congressman Gary Condit and the in-vestigation going on. And many of the questioners would like to know, do you think that he ought to resign, as many other members of Congress have suggested?

SEN. CLINTON: You know, I think we ought to keep our attention focused on all of the people who are missing in our country. (Applause.) And I really -- I have nothing further to add to that.

MR. RYAN: Also a large number of questioners here want to know when you're going to run for president or if you will run for president. How about running for vice president? Somebody suggested about a ticket in 2004 with Clinton and McCain, maybe McCain and Clinton. (Laughter.) What's your thought?

SEN. CLINTON: This is a very creative, imaginative group. (Laughter.) No, I have said that I am not running and I'm having a great time being pres -- being a first-term -- (laughter) -- being a first-term senator. You're going to get me in so much trouble. But I do -- you know, I do think everyone who wants to run should run.

MR. RYAN: No matter who. For our New York reporters here, a couple of questions. Which Democrat are you supporting in next year's New York governor race, Andrew Cuomo, who's already declared, or H. Carl McCall, the state comptroller, who has decided not to seek your Senate seat? And another one says, "Would you please handicap the race for the next mayor of New York City?" (Laughter.)

SEN. CLINTON: I am for whichever Democrat wins the nomination in either race. And I think, you know, we have a very good chance to take back both the mayoralty and the governorship. And I'm going to be campaigning very hard for whomever the Democrats of New York choose.

MR. RYAN: And this questioner wants to know, how do you see New York's chances for the 2012 Olympics?

SEN. CLINTON: Well, I actually think that they should be very good. You know, the plans that have been put together are really impressive. And there's a broad-based group of supporters that is working very hard to entice the Olympics. I can't imagine, you know, a better place to have the global sporting events than in the global city of New York. So I'm going to do everything I can to persuade the International Olympic Committee to come to New York. I think it would be, if it's done the right way, very good for the city.

MR. RYAN: Before I ask the last question, I would like to do a little bit of business up here. Number one, I'd like to present you with a certificate of appreciation for your appearance here today at the National Press Club, and secondly, present you with a National Press Club mug, which I hope will find a good place on your desk somewhere.

SEN. CLINTON: It certainly will.

MR. RYAN: And the question -- well, there are a number of questioners that asked today, "Where's Bill? How's Bill and Chelsea?" which you might answer quickly. And the last one says, "What is your recommendation for a new college graduate to select a husband or wife who will become president of the United States?" (Laughter.)

SEN. CLINTON: My goodness. You know, Bill and Chelsea are fine. And he is having a great time doing a lot of work on behalf of some of the causes that he cared about during the presidency. He's going to be moving into his office on 125th Street in Harlem in an empowerment zone that the Clinton-Gore administration helped create. And as I'm sure you know, Chelsea graduated from college, which was a real rite of passage for her mother, at least. And so I'm very proud of her.

You know, I don't think that is a question that anybody can answer, because it is just not anything that any-one could ever even imagine planning for, despite what sometimes is written or what people claim later. When I was growing up, you know, running behind those pesticide-spraying trucks -- (laughter) -- I never could have imagined that I'd be standing here as a senator from New York or that I would have married someone from Arkansas who would become president. Those things just would never have crossed any-one's mind. And the best you can do is just fall in love and follow your heart. That's always the best advice I think you can get.

Thanks very much. (Applause.)

MR. RYAN: Thank you, Senator Clinton; much appreciated. Thank you all for coming here today. And I'd like to thank all those who watched or listened to the program. And I'd also like to thank National Press Club staff members Melinda Cooke, Pat Nelson, Jo Ann Booze, Melanie Abdow Dermott and Howard Rothman for organizing today's luncheon. Thank you.

END

"Larry King Live," CNN, 8/3/2001

KING: Senator Clinton, what surprised you?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I guess how much fun it's been. You know, I've had...

KING: Fun?

CLINTON: Oh, absolutely. I've had a great time, and I have to say that, you know, the people who have been absolutely great to me are the women sitting here. We've had a lot of fun together. We've come up with all kinds of advice for one another.

I've been more the recipient than the giver because I have so much to learn. But, you know, in addition to what Jean said about how I have absolutely no control over my time, which was a big surprise, I really am impressed at how hard everybody works. You know, it really is a hardworking collegial body. And you make friendships across party lines, across geographic divides. So for me, it's just been a wonderful surprise.

KING: Senator Hutchison, does this camaraderie still exist, women for women? I remember the last time you were on you said, women will not go and campaign against other women, no matter what the party. We have an allegiance to each other.

SEN. KAY BAILEY HUTCHISON (R), TEXAS: Well, what I said was that I wasn't going to campaign against Dianne Feinstein, because she is my friend. And I think that that happens with men as well. When you have certain friends -- you know, Trent Lott wouldn't campaign against John Breaux. That's not so unusual.

Now, we have made some friendships, but we may have friends that are running that we have to support. We just have to take it as it comes.

KING: Do you feel a special need, Senator Boxer, to welcome the new ones in?

SEN. BARBARA BOXER (D), CALIFORNIA: Oh, not a need, a true desire. I mean, I was thrilled. I remember Senator Mikulski saying when she was the only Democratic woman there, and she was the first Democratic woman elected in her own right, that -- how did you put it, Barbara? You said, "Some women..." Go ahead, take it from there.

SEN. BARBARA MIKULSKI (D), MARYLAND: Well, I said I wanted to be the first, but I wanted to be the first of many.

BOXER: But you said, "Some women look out the window waiting for Prince Charming..."

MIKULSKI: Yes, and I look out the window waiting for more women to come to the United States Senate.

(LAUGHTER)

MIKULSKI: But thirteen women...

KING: It's a lonely life, huh, Barbara?

MIKULSKI: No, it's not lonely. But no, when I was -- when I first came to the United States Senate, it was only Senator Kassebaum and I. We did our best on the issues, articulating the voice of women, getting women into clinical trials. We had dear friends in the House like Senator Snowe, congresswoman then, and Boxer. But it's really different. We have this incredible, critical mass now where I would say we're making a difference. And we have a little saying: Each one of us is making a difference. When we work together, we make change.

KING: Do you feel that, Senator Feinstein?

SEN. DIANNE FEINSTEIN (D), CALIFORNIA: Oh, I feel that.

KING: Do you feel you have clout?

FEINSTEIN: Well, I feel what's always been an all-boys club, so to speak, is now open. I think the message of the group is that each of us has come at it from a different way. Therefore, for women, looking at politics, looking at government, I like to believe that we are true role models, that we say it can be done. Women can read this book. They can see we're all different. We all have, maybe, different views on issues, but that really isn't important. The important thing is that we can serve, we can serve with integrity. We can participate in the big public policy debates of our time. And, I think, do so with credibility and a lot of integrity.

KING: Senator Snowe, a special camaraderie, being women?

SEN. OLYMPIA SNOWE (R), MAINE: Oh, absolutely. I think that that bond is there and it has been created by our monthly dinners that evolved into the book. We get to share...

KING: Still do that?

SNOWE: Oh, yes, absolutely. We just did last week, as a matter of fact, because we think it's so important to be able to know one another on a personal basis. And obviously, to get to know the new members of the Senate as well and to have four additional women to the United States Senate is a real bonus, because now we're omnipresent in every respect. We're everywhere and we can seize the moment, so...

KING: Do you feel your clout, Senator Collins?

SEN. SUSAN COLLINS (R), MAINE: You know, the great thing about the Senate is it's only 100 people. So as Debbie was saying, there's a real opportunity to pursue your priorities. A lot of us have worked in partnerships on issues we really care about. Barbara Mikulski and I have teamed up on an issue involving the pharmaceutical industry and the high cost of prescription drugs. We've worked together on home health care and a host of issues. And you can really make a difference, and that's just a wonderful feeling. It's why all of us are in public office.

KING: Are you enjoying it, Senator Landrieu?

SEN. MARY LANDRIEU (D), LOUISIANA: Very much, Larry. And while this group looks wonderful and it's great to have 12 of us and 13, it's important to know there have only been about 30 women elected to the Senate out of about 1,950 to be elected ever.

So, while we are very proud and have every reason to be proud of the accomplishments of this group, we still have quite a long way to go. But we're having a good time.

KING: Before I go to break, Senator Lincoln, you are the youngest, are you not?

SEN. BLANCHE LINCOLN (D), ARIZONA: The youngest woman in the history of our country.

(LAUGHTER)

LINCOLN: ... who served in the U.S. Senate

UNIDENTIFIED SENATOR: She brags about it all the time.

(LAUGHTER)

KING: Do you feel like the baby?

(LAUGHTER)

LINCOLN: No, I'm not the baby. Kid sister, maybe.

(LAUGHTER)

KING: Do you respect -- I know Senator Clinton campaigned for you at times in the past. Do you respect your elders?

(LAUGHTER)

KING: On that note, we'll be right back. It may be the last word I got in all night. Don't go away.

(COMMERCIAL BREAK)

KING: Let's go around, discuss some various issues as it relates. When you have a thing like the Condit thing -- and we're not going to ask whether you think he's wrong -- but basically, though, basically, does it have an effect when everybody is turning to one area? And does it take away, Senator Mikulski, from other things?

MIKULSKI: Well, actually, we pretty much focus on our own agenda.

KING: Do you feel like some of that agenda doesn't get covered enough because they're covering all of this one scandal story?

MIKULSKI: Well, you know, the American people have a great interest in the Condit story. And it's under investigation. And I think we all hope for Chandra Levy's best. What we're focusing on though, right now, is our amendments, what we're working on, coming into the fore.

This work that I'm doing with Senator Collins on a bipartisan basis is how we can control the cost of drugs without curtailing...

KING: But do you feel that that gets less attention when the media is so focused in another area?

MIKULSKI: No, I think we know how to break through. This is a crowd that knows how to break through the media.

KING: Senator Clinton, do you feel that when emphasis goes one way, it takes away from others?

CLINTON: You know, I've been so impressed over the years, Larry, at how the American people really can follow issues they care about. And they can really sort through whatever's

going on to find out what is happening on prescription drugs or the patients' bill of rights or any other matter that is a real kitchen-table issue.

And so for me, it's been a real joy working with my colleagues on matters that are going to make a difference in people's lives.

KING: You don't feel, Senator Lincoln, that one takes away from the other, when you get home at night and all the networks are doing this one thing?

LINCOLN: Well, every now and then, I might say, Well, I sure wish they had covered the fact that we are attempting to write a new farm bill and how important that is for rural America. And a lot of that's just because rural American sometimes doesn't get a big enough flag.

KING: So it's frustrating?

LINCOLN: Sometimes it is, but I do think that, without a doubt, Senator Clinton is exactly right. I have complete faith in the people of Arkansas and the people of this nation, that the issues that are of great importance to them, they're going to weed through whatever's out there to find the information that they need. They call our offices.

KING: Senator Hutchison, is it frustrating for you?

HUTCHISON: Oh, I think we are getting coverage. You know, we're talking about missile defense. We're talking about the president's trip overseas. We're talking about where our foreign policy ought to be. And I think it's just important that we keep focused on the things that we're trying to do for our country.

I've been working with Senator Feinstein, just lately, for a breast cancer stamp, preauthorization. That has brought in millions of dollars in research for breast cancer, because we're trying to find a cure. We teamed with Barbara Mikulski to make sure that we have mammogram standards so that women will be able to know for sure and feel good that their mammogram is accurate.

So these are the things that we're working on. And I think we are making a difference.

KING: Senator Snowe, is it a diversion that affects you?

SNOWE: No, not at all. And I think the coverage, you know, about the disappearance of a young woman is obviously appropriate. I mean it is a serious matter and I think we are all concerned about that. But the beauty of our system is that we stay focused on the issues that are important, as well to the American people. And the system keeps working, the process keeps working. We focus on the key issues, and we don't get derailed by other things.

I mean, that's the importance of the way we work.

KING: Is anybody bothered by it -- Senator?

STABENOW: I think sometimes it is frustrating to me to know that we are working on the issues that people care about very much, that really directly affect their lives. And that it may not be the lead story, certainly.

We passed a patients' bill of rights, putting doctors and nurses back in charge of medical decisions and making sure that we hold those who make medical decisions accountable for how it affects individuals. It certainly got attention, but I would love to have seen it be the lead story on every channel, to let people know that we're fighting for health care and HMO reform.

So certainly, in terms of priorities, I think the things -- whether it's passing an education bill or a patients' bill of rights, or now we're focusing on Medicare prescription drug coverage -- all of those things; I think all of us would love to see be the lead stories at night. But regardless of that, we're going to keep working on the things that matter to people.

KING: Senator Feinstein, does it bother you?

FEINSTEIN: It bothers me somewhat. And I will tell you why. First of all, this goes all over the world, not just the United States. And I think for some people, it gives a very false picture of the United States Congress. It gives a very false picture of what people do with their time, how we behave.

For example, one of the things right now -- and I watch cable TV at night, and I see it just inundated. Well, we're now talking national missile defense. This is a huge issue in terms of the future of the United States. I would much rather, to be honest with you, tune into your show and see a debate on the science, on the military aspects of either theater missile defense, or national missile defense, what it means for the ABM Treaty, what it means in terms of whether this is going to be a safer world in the future.

Instead, we are all sort of captivated with what has become a huge drama. And I think the drama, in a way, belittles what all of us are all about.

KING: Senator Landrieu, what do you do when the media says: "That's what people want to watch." You know, which comes first?

LANDRIEU: Well, when I was saying the reason you see the difference here in our perspectives is because what is on the news is not necessarily what we see in our offices all day long, getting back to the schedule. I mean, our office is inundated -- Larry, in our offices in a day, we may literally conduct anywhere from 30 to 50 opportunities to meet constituents during the day. And that's, you know, roughly -- in meetings, speeches.

And they don't come in speaking about what's on the television and this particular incident, this disappearance. They're talking about health care, prescription drugs. They want appropriations. They've got economic development projects.

And I think I can speak for all of us without knowing and looking at your schedules that, you know, I haven't had one person walk in my office, really, and talk about that particular issue.

KING: Really? Let me get a break and we'll come right back. We'll pick up with everybody. You can all jump all in. Don't go away.

(COMMERCIAL BREAK)

KING: Sen. Cantwell said something that must have been funny because Hillary was laughing. What did you say to her?

CANTWELL: Well, no, I think -- you're bringing up this point, which I think with the Internet and the advent of 24-hour cable shows, you do find these stories getting more attention and obviously going over things and absorbing time and space.

But I did read a news account. We've obviously been dealing with this energy crisis in the Northwest, and so is California. And there was one article that mentioned that during this time -- why didn't we know about the partial deregulation that was going on in California and the potential affects? And someone said, well that was the same time as the O.J. trial, and that that overshadowed the attention.

So whether that's true or not, or whether someone would have paid more attention to the consequences of how that legislation might have played out or the consequences, there is this time and space that is there and available now. And we're filling it.

And the question is, are there more creative ways that we can fill it, that are interactive with the public, that they want to hear, that they will -- that will allow us to bring government closer to the people in what we are doing and communicate with them.

(CROSSTALK)

KING: Barbara and then Barbara.

BOXER: We could all -- of we could just sit in a room and close the door and figure out a way to find Chandra and to find all the missing youngsters, girls, boys and the rest, that, obviously, we would drop everything and do it.

But we know that the police have to work on that. What we need to do is what we can affect. And we can affect the electricity crisis; and we can affect the water supply; and we can affect whether our kids are honored or they're not, or they're neglected.

So, if we could fix all that, we would fix it -- in a minute. I mean, I met with Chandra's parents. I have to tell you that was a horrible meeting because I wanted to fix it, and I couldn't fix it.

(CROSSTALK)

KING: Put some individual...

MIKULSKI: Larry, I think our heart goes out to the families.

(CROSSTALK)

KING: Never interrupt Barbara.

MIKULSKI: No, but you have...

KING: The power of the Senate.

MIKULSKI: What is the job of the United States Senate? It is not to be on "HEADLINE NEWS." The job of the United States Senate is that we are supposed to wake up every day and think about the day-to-day needs of our constituents and the long-range needs of the country. And then, using the processes established by the Constitution, to work hard and go at it.

Now you asked the four new women what surprised them the most. Well, let me tell you what delighted me the most as the senior woman. I run a little workshop, teaching the new members and this time we including the guys as well -- how to get started. I have been astounded and pleased at how quick they have been to jump into the Senate, to grab hold of the committees.

They haven't been there an hour and half, and they've been offering amendments. They've been representing their states. You know, they tease me and call me the coach. I don't even have to blow my whistle anymore. They're right out there. And that's what the Senate is, out there...

KING: Senator Collins -- activists?

COLLINS: I would. And Barbara Mikulski was one of the first people who called me after I was elected. And Mary and I attended one of her workshops to learn how to get appropriations for work-well projects in our state. It's just -- she's been just wonderful to all of us in helping us be objective.

KING: Senator Hutchison, how well has Senator Clinton been accepted?

HUTCHISON: Oh...

KING: I mean, not we haven't had many first ladies. You know, there's been only one.

HUTCHISON: That's true. Well, she is the first, and -- but she has been so careful to do everything that she's expected to do, not to step in front of anyone. And she has co-sponsored amendments for all of us. I mean, we've worked together, and I think she is showing how hard she wants to work for New York. And she's doing just what Barbara Mikulski says.

KING: Would all of the veterans agree that she's...

MIKULSKI: Oh, she's just a regular senator.

(LAUGHTER)

CLINTON: I mean, these women sitting here have been so helpful, but they've also been very willing to offer constructive criticism, as well as helpful advice.

KING: Oh, they have?

CLINTON: Absolutely. And I have to put in a special plug for my Republican colleagues, because they have been terrific to me personally and, I think, to all of us.

KING: Do you ever feel, Senator Clinton, like a come-down from being first lady to one of 100?

CLINTON: No, no.

KING: Not at all?

CLINTON: I am so honored. Yes, I'm absolutely honored to be in the Senate. And you know, that always strikes me as a strange thing to say. I mean, as Senator Byrd would say if he were here, this is the oldest functioning deliberative body in any country in the world. And you know, the United States Senate is just the greatest opportunity to serve you could imagine.

(CROSSTALK)

KING: All right, I've got to get a break in, and then we'll jump back in. Everybody will get in. We'll be right back. Don't go away.

(COMMERCIAL BREAK)

KING: We forgot Senator Carnahan for a moment. Has it been worth it, as far as having been appointed to this job due to a tragedy?

CARNAHAN: I don't think so, really. All these ladies here have been such an inspiration. When you read the book, you'll see that a lot of them have overcome -- they triumphed over tragedies in their own life. They've overcome a number of things.

And so, I'm just one of them in that respect, because I have my own tragedy that I have to overcome every day. But I know that these ladies have done some of those same things. And they've been an inspiration to me.

LANDRIEU: But these four new ones have been really spectacular, all of them in their own right. And I think all of us though, as Jean was just saying -- have just the utmost respect for how she stepped into that role and did it. It's not something we've given her. She's earned it for herself.

And it was immediate from the first day she was here, that she had shared such a partnership that she could just step right in. And the people of Missouri very fortunate. To have that couple having represented them for all these years and she has been spectacular. And it's been an inspiration to all of us, I mean, literally every day.

KING: Senator Stabenow, you wanted to...

STABENOW: Well, I was going to comment -- before you were saying we are one of 100. Larry, I think we think of ourselves as being one of two people representing our state. I know for me, representing Michigan, Carl Levin and I represent Michigan. And when we talk about each of us, there's differences that we may find ourselves in relating to advocating on behalf of our states...

KING: But you have six-year terms. You have federal jobs, more so. I mean, the Congressman is serving to see the Medicare check gets there on time, right?

STABENOW: Well, I still feel -- I mean, I'm very concerned about the Medicare check.

KING: Do you serve individuals...

STABENOW: Absolutely. I have...

KING: I thought that was for the...

(CROSSTALK)

STABENOW: No, no, no. No, I don't.

FEINSTEIN: I wanted to just say one thing about Hillary, because it's been very interesting. She could have come into the Senate with very sharp elbows. She could have come into the Senate as a first lady. She didn't do either. That's been very interesting to watch, because if you're really going to be good in the Senate, you really have to get very technical and very good at some of the issues.

In other words, you develop your own portfolio of expertise. She's been willing to do that. And it sent a very loud message, I think, across both -- across the aisle. And I think, as a representative of the state, she has put that person foremost, which is very important to New Yorkers.

KING: Do you agree, Senator Snowe?

SNOWE: I ran into a former Senator in the cloakroom a few months ago and he served during the late '50s and early '60s. And I asked him about his observations and what he thought about the Senate of today.

And he said, the biggest difference is the fact of the presence of women on the floor of the Senate. He said that is a real big difference.

KING: Senator Hutchison, does the old rule of freshmen keep quiet still stand?

(LAUGHTER)

KING: By this show, I wouldn't bet on it.

HUTCHISON: Senator Mikulski broke that one.

(LAUGHTER)

KING: That used to be kind of unwritten.

HUTCHISON: It used to be, because I heard about that from some of the earlier senators. But all of us have to represent our state. And the great thing about the Senate is that everyone understands that.

So, like, I'm on the Appropriations Committee. I was chairman of the Military Construction Subcommittee, now Dianne is chairman and I'm the ranking member. But the military construction issues, we're going to agree on. We're going to work together. The same with Senator Mikulski who is also on the committee. We are here to make sure that all of our states get a fair shake, get what they need. Certain states have different needs. And there's a camaraderie, absolutely.

KING: All right, we'll get a break and come back.

I'll reintroduce the panel in case you just joined us: We have 12 of the 13 members of the Senate. This is all involved with a hit book that came out last year called "The Nine Women of the Senate" -- "Nine and Counting: The Women of the Senate" was the title. They appeared on this show, all nine.

And how they are 13. And a new book has come out, the paperback of that version with a new afterword called "And Then There Were Thirteen." You are seeing 12 of them. And we'll be right back.

(COMMERCIAL BREAK)

KING: I know this is history in the making because there has never been this many women in the Senate. And we've got them all here together, except for Senator Murray, who had legislative duties she could not get out of.

Let's reintroduce the panel. They are Senator Barbara Mikulski, Democrat of Maryland, first elected in 1986 the Dean of women in the Senate. Senator Kay Bailey Hutchison, Republican of Texas, elected in 1993, the first Republican woman in the Texas legislature. Senator Dianne Feinstein, Democrat of California, elected in '92, who co-wrote with her granddaughter, "Meet my Grandmother: She's a United States Senator."

Senator Barbara Boxer, Democrat of California, first elected to the Senate in 1992. Senator Olympia Snowe, Republican of Maine, elected in '94, the only person to serve as the state's first lady and one of its senators at the same time. Hillary couldn't top that. Senator Susan Collins, Republican of Maine, elected in 1996. Senator Mary Landrieu; Senator Landrieu is a Democrat of Louisiana elected in '96, the youngest woman ever elected to the Louisiana legislature. Senator Blanche Lincoln is a Democrat of Arkansas; in '98 she became the youngest woman ever elected to the U.S. Senate. She was 17.

(LAUGHTER)

KING: Senator Deborah Stabenow is a Democrat of Michigan, elected in 2000; in '74, she became the youngest person ever elected to the Ingham County Board of Commissioners. Senator Maria Cantwell, Democrat of Washington, elected in 2000; served one term in the U.S. House, became executive for the computer -- for a major computer software company.

Senator **Hillary Rodham Clinton**, Democrat of New York, elected in 2000, first -- and the former first lady of the United States. Senator Jean Carnahan, Democrat of Missouri, the widow of Governor Mel Carnahan, who died in that tragic plane crash on October 16 of 2000. On December 4, officially appointed to an interim term of two years to a Senate seat won by her deceased husband.

Senator Mikulski, tell us about the book. How did this book come about? Where do proceeds go?

MIKULSKI: Well, the book really tells the story of our lives. It has a marvelous extra chapter on the four new women. It talks about how we get to the Senate, how we juggle our lives in the Senate. Every single woman here has incredible family demands.

Blanche has twins. Mary has two adopted children. Many of us had elder care issues that we had to deal with. Then it talks about how we stay in the Senate, how we do our job, and for interview tips. Really, tips on how to be successful.

KING: Oh, it's a how-to book?

MIKULSKI: It's about -- a how-to.

(LAUGHTER)

(CROSSTALK)

MIKULSKI: And the proceeds will go to the Girl Scouts.

So the paperback's out. It's, I think, affordable. We really -- we think that -- we are saying to a lot of folks out there. If you read the book, you learn a lot about us and our lives. But also, we think there's a lot of lessons learned for everyone juggling -- balance needs between a family and a career, and also the kind of challenges where you do run into subtle discouragement.

KING: Senator Hutchison, were you surprised at the success of this book?

HUTCHISON: I wasn't, because I think what binds us together in many ways is the obstacles that we've overcome. And I think people can read the book and see that we have overcome just about every obstacle that you could meet when you go out into the real world.

So I think that is encouraging to young girls and to women, that you can overcome it if you persevere and you dust yourself off and you get up and keep on going.

KING: Anybody want to add anything just to know...

LINCOLN: I think it's so important. We're all women, but we're not all exactly alike. You know, we certainly appreciate and are glad about our similarities, but we also respect our differences. And this book highlights, as the other senators have mentioned, the challenges. That's our common denominator: the challenges that we have met in coming into a world that was predominantly male. There are a lot of those.

FEINSTEIN: I think one of the things that we are, are door- openers. We've opened many doors. We've been the first to cross the threshold.

KING: Pathfinders.

FEINSTEIN: Yes, in a sense. And once that door is open, whether its first lady or CEO of a high-tech company or a state legislator or a mayor, or the first anything, that door remains open for all time.

And so, I think by us...

(CROSSTALK)

BOXER: Senator Feinstein and I were the first two women to represent a state. So...

(CROSSTALK)

(LAUGHTER)

KING: We have California.

UNIDENTIFIED SENATOR: By the way...

(LAUGHTER)

STABENOW: You know, Larry, there are, I think, important things though that give significant changes for women, specifically that have resulted because of women in the Senate and the House, with the first wave, prior to my time in 1992, women coming into the Senate was probably the first time a focus on women's health research, led by women right here.

And now we read, or we hear on the radio about some new research project, some new information for women. That wasn't just an accident. That came about because of women saying: We're going to focus on women's health research. And surprise, surprise, we chose women as the subjects of the research.

(CROSSTALK)

KING: Let me get a quick break, and we'll come right back with our women of the Senate. Don't go away.

(COMMERCIAL BREAK)

KING: Senator Cantwell, you ran a big company. Now...

CANTWELL: I was an executive of my own company.

KING: Well, and now you're with a company that's not supposed to make money. Big difference?

CANTWELL: Well, I think that there's, you know, both a public trust in delivering good service to people and delivering it well. And for us, one of our biggest challenges has been dealing with the good economic times that we've had, but now there's economic slowdown. And so there are big challenges to being good economic stewards for this country.

KING: Is that a good background?

CANTWELL: I think it is; I think it's important. We all have diverse backgrounds here; but there are more women working in the work force than ever. And I think there was a statistic, there are women who work in small business than work at the "Fortune" 500 company. So I think having somebody in the United States Senate who's had a background in that is not a bad idea.

KING: Senator Collins, is it -- or you wanted to say something?

COLLINS: I just want to make the point that we did all take different roads to the United States Senate. And one of the purposes of this book is to tell people that there is no one path, but to inspire young girls to realize that they can grow up to be a United States senator. And there's no one path. There's no one ideology; but you can get there if you persevere.

KING: That was the hope of a young girl 30 years ago didn't have.

UNIDENTIFIED SENATOR: That's right.

COLLINS: Well, I feel very lucky because Olympia and I have the role model of Margaret Chase Smith. But...

KING: Your state was the only that...

COLLINS: Yes.

LANDRIEU: Larry, I wanted to follow up on that for a minute. I'm glad Susan raised it, because as Kay said, she wasn't surprised at the popularity of the book, but I, for one, was. I mean, I kind of had to get dragged kicking and screaming to do this project. I thought, "no one is going to buy this book," but I was wrong, because of this issue. Because the stories are about how we all got to the Senate.

Barbara Mikulski is a social worker. Kay is a lawyer. Dianne was a former mayor. Barbara was a community activist and on the city council. And I could go around -- Blanche came out of the farming community, Hillary's a lawyer. And what Susan said, we all came to it.

And so when people read the book, I think that's what they thought: There's no one perfect way, there's no one right way. We can all serve in different capacities.

KING: There's something we haven't discussed, and Senator Carnahan, we know, is a widow. Is it hard not having a partner and being in the Senate?

CARNAHAN: Well, it's been said that -- I think it was Cokie Roberts' mother who was asked when she replaced her husband, someone said to her, "How will you ever get along without a wife?"

And she said, "Probably not too well." The men do have a benefit in having a wife, having someone who sees after the home and the children and so forth. Whereas a lot of the women who are not married or are separated from their husbands by distance have to see after everything. And so I admire what they're doing, because they're balancing a lot of balls.

KING: What's it like for the husband, Senator Clinton?

CLINTON: Well, I think we all have very supportive spouses, those of us who are married, because this is a job that you need a lot of support in. And I really admire Jean and others who are out there every day, you know, working hard to do this job.

You know, it's really important, I think, though, that every one of us -- to just reiterate what we said -- are here because of people who came before, and we're so fortunate. You know, I certainly look to the women who were here before I was here, women who were groundbreakers. And it's a tough job, whether you have somebody at home or not. It's a very demanding job.

And I have to say, before I was actually in the Senate, I didn't really fully understand how demanding it is, because you're really having to be two places at once. You have to fulfill your obligations here in the capital, and you have to pay attention to what goes on back at home.

KING: And do the husbands have special understandings as well, ladies? Do all your husbands, they have the -- I mean...

(CROSSTALK)

LANDRIEU: We're right here in Washington and...

KING: Your wife is better known than you.

LANDRIEU: Well, but Frank moved here to Washington. He's been terrific. And I think in many ways, he's been a role model. Our spouses have had to, you know, make different decisions, and each family's made a different decision. But he's been here and he's been wonderful. Some of us commute. We're back in our state...

(CROSSTALK)

STABENOW: Larry, I was just going to say, I'm not married, but family, as a whole, has to be extremely supportive. I have a very supportive mother who lives just a few miles from my home back in Lansing, Michigan, who watches out for things.

And even though my children are now 21 and 25, I mean, they have been terrific -- my brothers and their families. It really becomes a family affair. And if you have people that are really supportive around you, just like with anything, any goal that you try to achieve, it's important that your family be supportive.

KING: Senator Lincoln, are you well-supported at home?

LINCOLN: Absolutely.

KING: What does your husband do?

LINCOLN: He's a physician, so his schedule is quite demanding as well. But it requires choices, just as other people across this great nation who work make choices every day, too.

Some of them are difficult; some of them are not so difficult. But he's extremely supportive with our children, and our aging parents, as Senator Mikulski mentioned -- I'm kind of in that sandwich generation between my small children and my aging parents.

But my husband's been enormously supportive, not only here, but getting here as well. Because the campaign trail is unbelievable.

KING: They have to take a back-step, though, don't they, Senator Hutchison, the husbands?

HUTCHISON: Well, my husband, I guess, in a different category. He is a preeminent municipal finance lawyer, a partner in a major law firm. He has his own life and he is respected for himself, which I think is very important.

KING: I've got to get a break. We'll pick right up.

It's not easy folks, trying to get everybody balanced time.

We'll be right back and Senator Snowe is next. Don't go away.

(COMMERCIAL BREAK)

KING: We're back. We only have two segments left, so we're going to try to get through some of the issues.

Senator Snowe, was it tough when Senator Jeffords -- when it happened?

SNOWE: Yes. And a surprise, and obviously very disappointed. He's a friend -- and just didn't expect it. You know, I had wished we could have worked it out.

KING: You became in one second a double minority -- a woman and a minority member of the Senate.

SNOWE: Right, and sort of saying -- you know, being a -- yes, that's true, minority, minority, minority. Being a Republican and a moderate sometimes is like being a member of "Survivor."

(LAUGHTER)

(CROSSTALK)

SNOWE: You get a distinct feeling you're no longer welcome as a member of the tribe. But anyway...

(LAUGHTER)

KING: Senator Boxer, how well are you working with the new president?

BOXER: Well, I'm looking for common ground, Larry -- looking for common ground. I tell you, I work, really, with my colleagues more than with the administration. For example, Sue Collins and I have a bill to make the Environmental Protection Agency a cabinet-level position. We think it's going to happen. And so, I really focus more on getting things through the Senate.

KING: Is this bipartisan, as you two seem to be, with this approach?

(CROSSTALK)

COLLINS: It is indeed. We're working very closely on the bill, and I think, because we're working together in a bipartisan way, that we're going to get it through.

KING: Do you think we'll ever see, Senator Clinton, true campaign finance reform?

CLINTON: Well, I hope so, you know...

KING: We keep hearing it, but...

CLINTON: Well, you know, the Senate did its job. We worked hard to pass a good bill and send it on to the House. And I really hope that the leadership in the House will let there be a vote on true campaign finance reform. I think would be great for the country.

KING: Senator Hutchison, what do you think the president's going to do about stem cell research?

HUTCHISON: Well, I think he's really agonizing about this decision. He realizes it's so important and he is reaching out to every scientist, every doctor, the pope, we know -- so I think he is going to try to make a decision that is right. And I think it's probably the toughest decision he's going to -- has made, at least up until this time.

BOXER: Didn't he, in the campaign, say he was against embryonic cell research? So he's really rethinking that now?

KING: I think he said that.

BOXER: Oh, he is rethinking. OK.

HUTCHISON: But the issue is more defined now, I think.

KING: This is a tough moral issue. Have you ever had, yet, to -- have you all had to compromise?

UNIDENTIFIED SENATOR: Oh, yes.

KING: You do that all the time? Isn't that hard to do when...

UNIDENTIFIED SENATOR: Democracy is about compromising.

KING: But you're strong individuals. Isn't it hard to...

STABENOW: It's not about compromise principle. We compromise among in appropriations committee...

(CROSSTALK)

STABENOW: But you know, it's not about principles. It's really compromising in terms of meeting needs of various parts of the country, various parts of your state. A variety of priorities that people have in trying to find some common ground.

LANDRIEU: Larry, one of the examples is going to be energy. You know, we're developing an energy policy for the nation, and you could look around at each of our states and know that there's a particular piece of this energy policy that is very important. Debbie, the Great Lakes in Michigan, you know, in the Gulf Coast region, producing natural gas. Dianne has been working on CAFE standards. And so it's going to be a negotiation to try to fashion a bill that...

(CROSSTALK)

KING: ... new world in the Senate, to compromise value?

FEINSTEIN: Well, there are big issues and there are small issues. There are big issues. I mean, many of us here, a big issue, for example, is a woman's right to choose, for many of us. That is a big issue...

KING: So you would never compromise in that area?

FEINSTEIN: Well, again, it depends. But you've got to look at the issue. Now, I think part of being successful in what we do is knowing when, as I say, to go to the wall and really fight for something straight out, and when not to, when to compromise.

KING: Got to know when to hold them and know when to fold them.

FEINSTEIN: Exactly.

KING: We're going to take a break. We'll be back with our remaining moments. We're going to try to get a word in from everyone in these final moments of our panel of 12 of the 13. The book is "Nine and Counting: The Women of the Senate." The paperback is now out with an afterword, "And Then There Were Thirteen." Don't go away.

(COMMERCIAL BREAK)

KING: Senator Landrieu has just made me an offer to follow them all around for a day. Well, first: Could I keep up with each of you? Because you're all going in different directions.

(CROSSTALK)

UNIDENTIFIED SENATOR: Wear comfortable shoes.

KING: That would be impossible.

OK, a show of hands: anyone want to be president?

(LAUGHTER)

KING: No one wants to? Senator Mikulski, did you get over to see that train accident? Was that weird?

MIKULSKI: Well, Baltimore was hit by both a terrible train wreck, as well as some issues with Johns Hopkins. I say hats off to the fact that we had such brave firefighters and emergency management. And quite frankly, under President Clinton, we were (UNINTELLIGIBLE), so we had all of the standby and everything ready to be able to protect lives and property.

KING: Did you head to the scene?

MIKULSKI: I was on the phone with the governor and the mayor. I think that you can't show up and be showbiz. Those firefighters had to do their job, not be with Barbara Mikulski. They had to be in the tunnel. And so my job was to be on the phone with the mayor and the governor to make sure that we were having the right resources at the right time.

KING: Do you all try to go home every weekend? Do you go home at the same time?

UNIDENTIFIED SENATOR: Every other weekend.

KING: Every other weekend. Is it tough having two residences?

UNIDENTIFIED SENATOR: Yes.

MIKULSKI: I commute everyday.

KING: Oh, that's right, you drive.

MIKULSKI: I'm a commuter.

FEINSTEIN: And the length from the West Coast is a tough commute...

(CROSSTALK)

KING: I'm sorry?

LINCOLN: Try taking a husband and two kids and a dog home with you when you go, traveling back and forth.

KING: Is it essential to touch base at home?

UNIDENTIFIED SENATOR: Oh absolutely. That's our job.

SNOWE: It's also nice to get back to home because it's a breath of fresh air, getting back to a normal lifestyle.

(CROSSTALK)

COLLINS: And it reminds you of what's important and what people really care about. And often that's different than what people in Washington are talking about.

KING: You have the furthest trip, don't you? Yes, you do.

CANTWELL: Well, I think, you know, California is probably about five-and-a-half, six hours on a plane, depending on what the headwinds are like. But I think that you go because you find that there is actually more commonality than you would think, if you go and you talk to people about issues.

I said I was going to go to every corner of the state every year. And what I found is by going there and talking to them, you actually come up with the ideas that are part of our legislative agenda. There's solutions to some of these issues for a framework.

FEINSTEIN: There is an inside-the-Beltway mentality.

KING: No kidding?

FEINSTEIN: Yes. And so when we go home, and you say -- you talk to -- well, real people about real issues and you can bring back stories and anecdotes and suggestions, it is really helpful...

KING: Senator Clinton, do you miss the trappings of the White House?

CLINTON: Well, you know, Larry, being in the White House is a privilege that is just unique, and I enjoyed it. I'm grateful for that chance, but I love being in the Senate. And part of what I love about it are the people who are in the Senate. And not only the other senators,

but you know, there's really hardworking, dedicated staff people -- professional staff who are there year-in and year-out, no matter who's in the majority.

You know, it is a very impressive enterprise. And one thing I hope I can convey to people is how important the work is and how difficult and challenging it is. There isn't enough understanding of that these days. And I'm very proud to be a part of this extraordinary body.

KING: Is it still the best job in the world, ladies? Someone said that once. It was a male senator, I think, but...

UNIDENTIFIED SENATOR: No, I want your job, Larry.

(LAUGHTER)

(CROSSTALK)

KING: You've been bucking for it for a long time.

UNIDENTIFIED SENATOR: She'd be good.

UNIDENTIFIED SENATOR: She'd be very good.

KING: Senator Snowe?

SNOWE: The reason is because you have the ability to move heaven and earth to do something -- to right a wrong. And I think that is the value of this job. And it's unfortunate today that public service has been devalued, because -- and it has.

KING: You've shown that here tonight. Thank you all. We've run out of time. I tried to give everybody an equal shot. Thank you Senator Carnahan, Senator Clinton. Thank you all very much.

The book is available right now. It's in paperback, "Nine and counting: The Women of the Senate" with the

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON THE BUDGET AND ECONOMIC OUTLOOK, 9/4/2001

CLINTON: Thank you, Mr. Chairman, and thank you for holding this hearing.

And thank you very much with your entire team for being here with us.

I was particularly interested in the last exchange with Senator Frist about the cost of health care, something that I have given a lot of thought to over the years. And I think that it's absolutely appropriate to view what is happening now, as -- both in the private and public systems, as posing increasing stresses to the financial capacity of both businesses and government to afford health care.

And I was interested particularly in your comment that we don't have enough information. I certainly, for one, believe, Mr. Chairman, we ought to do whatever we can to acquire the information that CBO and others would need to advise us, so that we were making decisions that were based on the best possible information. And I would hope that's something we could look to in the future.

CLINTON: I also wanted to just make sure I understood the other point that Senator Frist was making with you about solvency, because I do think that the public and all of us need to understand what it is we're concerned about. And is it fair to say that, even though the existing system, as you described in your response to those questions with respect to

Medicare and Social Security, are solvent at this time, that the potential of any Social Security reform that would cause us to incur transitional costs would be an additional expense that you've not yet taken into account?

I've heard, you know, some of the Social Security reform proposals with transition costs ranging from \$1 trillion to \$3 trillion depending upon the shape of the proposal. Are those in your 10-year projections?

CRIPPEN: None of the transition costs you refer to would be in our projections. We -- in the main, it is current law. And we -- the solvency of the Social Security trust funds are estimated by the actuaries, which I believe now is to 2038 for Social Security and much closer for HI. And what we were addressing before was has anything affected them this year, and the answer is no; those solvency dates remain roughly where they were.

CLINTON: And the concern that many of us on this committee have spoken about in previous hearings really is focused on the impending demographic effects of the retirement and increasing medical demands of the so-called baby boomer generation. And those are expected to begin making claims on the system, I think, in 2011.

So that the projections that we're talking about really have more to do with whether or not our country is going to be in strong fiscal condition to deal with future demands that we believe, in a responsible way, we should be prepared for.

And similarly with respect to the solvency of Medicare, that does not include a prescription drug benefit because that's not part of the Medicare program at this time; is that correct?

CRIPPEN: That's correct.

CLINTON: I'm also very interested in Senator Hagel's concerns about defense, which I think all of us share. And Senator Nelson also spoke to that.

Could -- I haven't seen the projects that CBO made about the \$50 billion annual spending with respect to maintaining existing force levels, and could I get a copy of that?

CRIPPEN: Absolutely.

CLINTON: I'd like to see what that's based on and how it's derived.

But with respect to defense, the request that the administration has made, the \$18 billion request, that's also not in your existing analysis; is that correct?

CRIPPEN: That's right.

CLINTON: Nor is the very important piece of legislation known as the education bill and the potential costs going forward also included; is that right?

CRIPPEN: It is not included, yes.

CLINTON: I for one am a very strong supporter of Senator Hagel's, I think, brilliant idea to have the federal government do what it said it would do, which was to pay for special education, which is something that I hear about everywhere I travel in New York because of the increasing costs.

But forward-looking special education payments that would be part of the federal government assuming the responsibility for special ed, which we should have when we started that program 25 years ago, that's not in your assessment.

CRIPPEN: It is not.

CLINTON: Similarly, the bill that is working its way through the House and will someday, I suppose, come to the floor of the Senate, with respect to energy, the kind of tax credits and other issues that will be addressed in meeting the energy crisis that may have abated some but has not disappeared, those figures are not in your projections.

CRIPPEN: They are not.

CLINTON: Also with respect to additional tax reform measures, many of us are concerned about the alternative minimum tax, which we know will drive many millions of taxpayers into a higher bracket thereby wiping away whatever rate reform they might have enjoyed, those are not in your figures are they?

CRIPPEN: No. Beyond what was provided for in the tax bill, no.

CLINTON: And many of the tax bill's provisions don't kick in until next year at the earliest and, you know, 2010 at the latest; is that right?

CRIPPEN: Yes, some of them don't -- for example, the estate tax repeal doesn't occur until the end of the period. And then everything is set in legislation to expire in 2011.

CLINTON: Now you have referred several times in your testimony to the need for the economy to continue growing. Has the CBO done any work over the last 15 to 20 years about those factors which contribute to a strong economy?

CRIPPEN: Not quite the way I suspect would be useful for you. We are better at looking at the past than we are looking at the future. So we have, of course, done some examination of what's happened. And most recently, in these last four or five years, the rapid economic growth, the good economy, was due to unforeseen increases in productivity. And as Senator Corzine suggested earlier today, the question for us is do those productivity increases continue?

Clearly, at the moment they aren't, but then always in a downturn they diminish. The question is, will they come back with the economy? And we think they will, at least some.

So what has caused, certainly in the recent past, good economic growth, has been good productivity. There are things that you might think helped that, whether it's tax policy, as Senator Corzine was suggesting, whether it's education and other things.

But there are really, when it comes down to it, Senator, only two pieces to economic growth in a simplistic way. One is the growth in the labor force, and the other is the growth in productivity. And so those are the two policies or the two ultimate goals you want to pursue with policies.

CLINTON: Well, that's right. What I'm concerned about is...

CRIPPEN: (inaudible) how you get there.

CLINTON: ... what I'm concerned about is, given where we are right now, whether there are steps that could do either of those effectively with respect to labor force growth and participation and productivity increases. And I know that's not your province; that's more of a policy issue. But I think many of us are concerned that we don't have an economic plan. We have had a tax cut plan, but we don't have an economic plan.

And looking at what factors could be enhanced or motivated in order to increase labor and productivity numbers is something that, obviously, we take very seriously. And there are many of us who think that if you're looking at the government budget situation right now, we should go back and revisit the idea that was in the Democratic alternative about some kind of trigger, to send a message to the markets that we're not going to go into a backward-looking posture, where we begin to slide back into uncontrolled deficits -- the triumph of politics on both sides of the aisle takes hold again.

So I'm wondering if you have thoughts about the trigger idea after having, I'm sure, talked about it with your staff, because of previous questions that we're addressed to the CBO.

CRIPPEN: I think the only thing we concluded, Senator, is that we don't know. That is to say trigger mechanisms don't give anybody much comfort in both how they would be

constructed and how they would work. As you're suggesting, perhaps the capital markets would look at them more robustly than we have.

Again, one has to be careful, of course. And one of the big arguments against a constitutional amendment for a balanced budget or something like that is the straitjacket it might put the country in in times just as this, or worse, whether we're in a recession or weak economy or war or some other things.

And so one has to think about triggers look awfully good on one side of an economy and maybe not on another or on one side of a debate or not another.

But ultimately I think it comes down to policy-makers to take action, and whether you can foresee what those actions should be five or 10 years from now, and put a trigger in place, I don't know.

CLINTON: Something to be considered.

CONRAD: Thank the senator.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON STEM CELL RESEARCH. 9/5/2001

CLINTON: Thank you.

Thank you, Mr. Chairman, and thank you, Mr. Secretary.

I think, as probably all of us feel after these couple of hours together, there are a lot of unanswered questions which we will look forward to struggling through with you and those with whom you consult because clearly, as Senator Warner said, this is an issue of such great importance and resonance not only throughout our country, but throughout the world.

I'm still sort of acquiring information, trying to get it straight level, because there are just a lot of contradictory attitudes that are being expressed about what we have and what we don't have. And I think it's important that we have a factual base. You were not here, Mr. Secretary, for Senator Specter's testimony, but I'm sure your staff will fill you in and give you a copy of it. He certainly takes the position that is I think somewhat different from the one that you've expressed about what the viability and accessibility of the stem lines are.

We need to come to some basic agreement about what the evidence shows, and I hope that you will work with us on that because certainly Senator Specter and Senator Harkin have held a number of hearings on this issue, going back now nearly two years. And Senator Specter has a different basis of information available to him than what you've presented. So I hope that we can work through that so that we all know what we're talking about.

Secondly, the serious question that's been raised about the potential impact, if not contamination from the mouse cells, and also I believe blood serum from cattle is also used to nourish these cells in some of the settings, is one that we all have grave issues about. We are concerned that our government's own standards about how to treat the introduction of animal elements into human material have not necessarily been followed in the various locations where we've identified these stem cells.

So clearly we have a lot more work to do on that, because as you point out, the resource is going to take a number of years, and I think many of us would be very disappointed if at the end of all those years, the work could not be useful to the alleviation of human suffering because of the contamination that affected these cells.

One other question that I need some guidance about is in the president's speech, I believe he said he supported the House bill. And as I understand the House bill, it not only bans

reproductive and therapeutic cloning in the United States and certainly any federal involvement in such efforts, but it goes a step further and says that if in England or Germany or Japan any therapy or treatment is created from therapeutic cloning, that treatment could not be imported into the United States. Am I understanding that correctly, and both the House bill and the president's positions?

THOMPSON: Senator Clinton, I have not done any research on that subject, I'm sorry to say. So I don't particularly want to answer that question at this point in time. I'd be more than happy to do the research and call you or write you with an answer on that.

But I would like to hopefully make a correction, and not to be confrontational. The contamination -- I don't believe there's contamination. Just because these cells rest on a mouse layer of cells doesn't mean that they're contaminated. And I have talked to FDA; I have talked to NIH. And it's such a traumatic experience for these cells to be taken out of the embryo that they have to have this cushion.

CLINTON: Mr. Secretary, I understand that, but the point that was made this morning -- and I'm just trying to get a base of information so that I can make the best possible decisions. But as I understood the chairman's point this morning, our government has issued guidelines about how mouse nutrients are to be injected into any kind of human material. So that clearly we know it happens. The xenotransplantation efforts that you referred to are ongoing. I read the letter that was distributed. Frankly, it still is a little concerning to me because the long list of steps to be taken to guard against any kind of untoward consequence of xenotransplantation are a little bit daunting to me.

But put xenotransplantation to one side, as I understand what the chairman said, our government had issued very strict guidelines about the introduction of mouse nutrients into the human material. And we have no guarantee that these stem cells in India or Sweden or anywhere else have followed the American government's guidelines, do we?

THOMPSON: We do not.

CLINTON: We do not. So I don't think any of us want to be confrontational. We're trying to understand what it is we're doing. So I don't think that if our government has rules about how to avoid contamination, that they have issued to researchers about how to use mouse nutrients, I think it's a fair conclusion to draw that in the absence of following those rules, some might conclude contamination has or could occur. That's my only point.

So my only point is that as we go forward to try to understand what it is we're doing here, we need to be open. We cannot close our minds. This is not an inquisition. This is not trying to determine who's right and who's wrong. We're trying to figure out what we are doing. And there have been many questions raised since the president's speech that deserve an answer. The scientific community deserves an answer. The Congress deserves an answer. And certainly people who are out there wondering about this deserve an answer. So on those several points, I would appreciate additional information.

I'm also hoping that as we look at this, the question that was raised by Senator Mikulski, which I think is a very important one, is that we have chosen to adopt a different approach than Great Britain, for example. As I understand it, they have an embryonic research advisory board that attempts to govern both public and private sector investments in this research. We've adopted a different approach. We've adopted these restrictions on federal funding, and very few on private funding. And I take seriously your point, and happen to agree with it, that the basic research is likely to be done with the public sector dollars.

Now that, though, raises some of the concerns that scientists have suggested to me, which is that it's very difficult to do the kind of basic research without those public dollars. That really is the core of whatever therapeutic use can come from this research. So that we're concerned, I think, about the potential shelf life of these stem cell lines; the specialization

that can occur, rendering them useless for the research; the numerous references to the mouse lines that have been developed.

We don't know how many mouse lines to get those that are now replicable and usable. We are really out there in the dark trying to figure it out. If we're going to make an analogy to the mouse lines, we ought to have as much information as we can to know was it 1,000 mouse lines that eventually produced five viable mouse lines? Or was it 54 mouse lines that produced five viable mouse lines? I don't have any idea.

So I think that every one of us are grateful for the hard work that you and the NIH and the professional staff have done, and we're grateful that the president had a deliberative process that led at least to the door being opened. But as we learn more about these 64 stem lines, as we try to figure out how to reconcile Senator Specter's very strong statement -- it was a passionate statement this morning about what he believes to be the facts about these stem lines -- with your very optimistic statement about the stem lines, and the fact that if we go with the optimistic view, which is that this is all we need and this is all we're going to get, how many years do we lose? What do we give up? -- the questions that Senator Warner raised.

So I think, Secretary Thompson, that for many of us we are still in the asking questions stage. And if I may, just one final question -- you've said several times, you said in response to Senator Murray, that you envision private researchers taking up where the publicly funded basic research leaves off. What thought has been given to how these private researchers will be able to overcome the proprietary rights issue as they engage in commercial development? Will the kind of memoranda of understanding that you've reached between the government and the research institutions -- how will the private researchers be able to do that?

THOMPSON: Senator, first off, I didn't mean to imply anything. I just didn't want to leave this hearing saying that all of these lines are contaminated. I don't think they are.

Secondly, you raised a lot of points. I don't know those answers. I can tell you that I've been involved in this thing since a month after Jamie Thomson discovered. First as a governor, I have been an advocate, a passionate believer that this shows great promise and I still believe that. And we have to do the research, and we have to do the basic research, as you've indicated, to find out how can these cells be used. Maybe adult stem cells may be more usable, more placid than embryonic stem cells. That comparison has not been made. That has to be done.

In regards to the patent rights, I have talked to the people at NIH and they tell me this is no different; that the MOU and the statement of material transfer allows for this research to continue. And the intellectual rights, the research writing of the scientists will be able to be continued and will be saved for NIH. But once they develop a product, like they do any other product that doesn't use embryonic stem cell lines, then the private sector and the patent laws and the commercial laws of America take over. And they will have to negotiate with WiCell or get a license to use that. But that's no different than any other product that has been developed by NIH or by the private sector when there's an already existing patent out there.

KENNEDY: Thank you very much.

Senator Edwards?

EDWARDS: Good morning, Mr. Secretary.

THOMPSON: Good morning, Senator Edwards. How are you?

EDWARDS: I'm fine.

We appreciate your passion about this issue, and the work you've done in the past on it. There were a number of us that had concerns when the president made his speech about

the rigid guidelines that he established, understanding that there are serious scientific and ethical questions that have to be resolved; and how those guidelines would be applied in the context of a very new science. I think all of us would recognize this is a very new and rapidly developing science.

THOMPSON: And very exciting.

EDWARDS: And very exciting -- potentially very exciting.

I think our concern is we want to make sure that that potential in fact is realized. At the time the president spoke, and shortly thereafter when you talked about the subject, you talked about 60- some-odd stem cell lines being available; the nature of the research that you thought could be done based on those stem cell lines.

Let me ask you first, are you aware of -- have you actually been on-site where these stem cell lines are located? And we have a list of where they are across the country and across the world. Have you actually been on-site and examined the stem cell lines?

THOMPSON: No, I have not. I have been in the University of Wisconsin lab many times, but I haven't been anywhere else, if that's your question.

EDWARDS: The American Society for Cell Biology has established four criteria that they think should apply in this context in order to satisfy the research that needs to be done. The first is that the cell line be available to publicly funded scientists, both at NIH and to universities around the country. The second is that the owners of the stem cell lines not impose restrictions that would limit that research; third, that they have growth and handling characteristics that are compatible with quality research; and fourth, that they retain the capacity to generate every adult cell type.

They're pretty simple actually. One is to make sure that it's available to the scientists who need to do the research; second, that there aren't legal restrictions and other restrictions that would limit the ability to do the research; third, that the stem cell lines themselves are usable for the research that needs to be done; and fourth, that they have the capacity to generate the adult cell types that need to be generated.

Do you know, as you sit here today, how many of the stem cell lines that meet your test also meet those four simple tests?

THOMPSON: I know 64 meet the president's guidelines in regards to federal funding. There are 64 that we have inquired about and re- inquired about and have met with personally.

EDWARDS: Can I interrupt? Do you think those are reasonable tests -- the tests that they lay out -- those four simple tests?

THOMPSON: I think that those four are adequate, and I think that...

(CROSSTALK)

EDWARDS: You think they're reasonable.

THOMPSON: They're reasonable.

EDWARDS: OK. Can you tell me, as you sit here today -- I mean, you and the president have already established the limitations -- can you tell me as you sit here today how many stem cell lines meet those four tests?

THOMPSON: Dozens.

EDWARDS: What does that mean, dozens? Twenty-five? Thirty? How many?

THOMPSON: I would say dozens. I would say 20 to 25 at this point in time. But as you were not here, there's three stages in which these embryonic stem cell lines go through. The first one is the proliferation, and there are several of those 64 lines that are in the proliferation lines. Several in the characterization lines, which shows over here, and several

are in the cell line established, and it takes six to eight months to develop a good embryonic stem cell line. Some of these that have not met the full cell line establishment criteria yet will be, by the time they apply for the money and the money goes out at NIH, and that's going to take somewhere between eight or nine months to get the money out.

To give you an example, the Sweden Goteborg University has 19 lines, Senator Edwards. Three of them are in the cell line established, which means they're ready right now for research and that further research could be done. There are four in the characterization and there are 12 in the proliferation. Now, over the course of the next six to eight months, several will move from proliferation to characterization to the cell line established, and that's during the process that they will be applying for federal research dollars.

To tell you exactly today how many, I can't tell you. If I was pressed, I would say there'd be 24 to 25 that would meet the cell line established criteria, Senator Edwards.

EDWARDS: That leads me to my next question. You said, when I originally asked you, you said dozens, and then when I asked you a follow-up question about it you said 24, 25, something in the 20s. How do you know that those 24 or 25 meet this reasonable -- you described as reasonable -- criteria that the cell biologists have established?

THOMPSON: Well, basically because the MOUs that we've discussed with the entities -- the 10 entities that have them -- have indicated they want to share with the scientists. Two, that they can be used. Three, that they replicate or are pluripotent, which is the scientific word for that. And I don't know what the fourth one was; but, as I understand it, they meet those four qualifications.

EDWARDS: Well, let me ask you a follow-up question to that. How many genetically diverse stem cell lines -- and again, as we sit here today, not the potential, what we actually know about -- have the ability to regenerate themselves indefinitely? How many do you know about today?

THOMPSON: We think all 64.

EDWARDS: OK. So it's some of the other tests that you're not certain...

(CROSSTALK)

THOMPSON: Yes. The other characterization, the other things like the freeze-thaw testing, the cell marker assays, which are SSEAs 3s and 4s and PTA 61s and 80s, and the chromosome analysis and the testing for pluripotency. We're not sure about all of those things. But we do know, in order for this to be proliferating, they already started proliferating right after they've been removed from the blastocysts or in the cells in the cultural dish. They are proliferating right then. So all 64 lines have proliferated, we do know that for a fact.

EDWARDS: But you, HHS, NIH, have not physically been to the sites to actually examine the cells yourselves?

THOMPSON: No.

EDWARDS: Do you plan to do that?

THOMPSON: I probably will not, but I know the scientists will be doing an exhaustive study, which they already are. We're in the process of setting up the registry. We have signed -- you were not here -- but we did sign an MOU and a material transfer agreement yesterday with Wisconsin Alumni Research Foundation that allows for their five embryonic stem cell lines to be made available to the NIH scientists right now.

EDWARDS: Are those five lines available to the non-NIH scientists around the country, publicly funded scientists?

THOMPSON: Yes. Carl Gulbrandsen is here and you can ask him that question, but he has indicated yes, any scientists -- they want those lines...

EDWARDS: And what do we know about the availability of all the other stem cell lines?

THOMPSON: All I can tell you, Senator Edwards, is that the entities have been in to meet with Dr. Lana Skirboll and her staff, and I have personally met with them. I have not negotiated with them, but I have met with them, and they've all indicated to Dr. Lana Skirboll and to the staff at NIH that they want to make their cell lines available to scientists and for NIH to get the basic research done. They're excited.

EDWARDS: But at this point who controls that decision? Do they control it?

THOMPSON: The entities.

EDWARDS: We, as a nation, have left to them control over what kind of research can be done on these cell lines?

THOMPSON: No, no. They own them. I mean, they developed them, so they have control over them, and now what we're doing is...

EDWARDS: Yes, but we've created -- through this decision by you and the president, we've created a monopoly, and those people who have existing cell lines -- if I understand you correctly, what you're saying is they now have control over what research, if any, can be done by -- I mean, it's all well and good that they're well-intentioned about it, I appreciate that. But suppose they decide; no, in fact, they're not going to permit that to take place, or they're not going to permit the research to take place or they're only going to allow the NIH to do it and they're not going to allow the other scientists to do it?

THOMPSON: That is not what I've said, Senator. What I've said is that they all have indicated that they are in agreement and want to cooperate not only with NIH, but with other scientists to do the basic research on their stem cell lines.

WARF has gone a step further. They have negotiated now with NIH in an actual agreement, which was signed yesterday with NIH, to make their five cell lines that Jamie Thomson, the father of embryonic stem cells, has developed. He has licensed those to WARF. WARF, in turn, has licensed them or has given the permission to be used by NIH and other scientists through an MOU and the material transfer agreement for any type of research that the scientists want to do on those.

The second thing we're doing is we're developing a registry at NIH, making all of the 64 lines hopefully available for scientists around the world to be able to pick the line that they want to use for their research projects when they apply for federal research dollars.

EDWARDS: But the critical word there was "hopefully." And I know my time is up, but my obvious concern is, and I think it's a critical issue in this ongoing process, is by establishing the criteria that the president established, he limited the number of lines that even are potentially available and left in the hands of the people who presently have the proprietary control of those lines the decision-making about whether they're going to be publicly available. We can't force them to make them available. They have a legal right to do whatever they choose to do. And I appreciate that they're well-intentioned, but it certainly hasn't been an unusual thing in the past to have people act out of their own personal financial best interests, and it wouldn't be a shocking thing to see that happen in this case.

So I think the restrictions that have been imposed, obviously, create ongoing problems. I'm hopeful with you that we'll be able to get these folks to make these stem cell lines available, but I think that's a serious question as we sit here today.

And I thank you, Mr. Secretary, for your answers.

THOMPSON: Thank you. All I can tell you is, in answer, Senator Edwards, is that we've got five. The first one we've negotiated with, which is the one that has the patent in America, is

the one we've reached an agreement with, and we feel very good about that, and we think the other ones will follow through. I can't promise you today that definitely we're going to have them all signed up next week, but we're working on them and we're working as fast as we possibly can to reach an agreement with them.

EDWARDS: Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

KENNEDY: Thank you.

Mr. Secretary, I would just make a very brief comment, and then if there are others who want to have a final question, obviously they're welcomed.

No one could sit through the course of this hearing now since 9:30 and not know of your own very strong commitment in terms of the research in this area, and your belief that this offers some enormous opportunities and hope for families across this country from these dreaded diseases that afflict every family in America, and that is very commendable. The president is fortunate to have the kind of advocacy that you've expressed here.

There are those that view this situation somewhat differently, and we are here trying to listen, as we have carefully to your presentation, and made in a very convincing way. Will there be the availability of stem cells for the research and the opportunities in an area that was really unthought of -- or maybe thought of, but not in reality until two and a half, three years ago -- and with all of the kinds -- the best of the researches that are done at NIH, will there be the sufficient kinds of product out there to permit the kind of opportunities for breakthroughs? Now, you make a very convincing and compelling case that there is.

I think there have been some legitimate issues and questions that have been raised that cause us some concern. I think one of those issues that I have raised very briefly, as others have, the question of the conditions on safety, and the issues of the use of nutrients from mice, and the fact that in these various stem cell lines that you talk about here, you would be hard-pressed to think that any of those follow the very strict guidelines that have been issued on August 24, 2001 on mice from a colony that's continually monitored for infectious diseases.

We know about Mad Cow disease. No one expected that that kind of infectious disease would be able to move from animals to human beings, from a colony that was not allowed to inter-breed with animals outside the colony, routinely tested for infectious diseases, was quarantined for three weeks prior to the procurement of cells.

Now, we're told that we have to stay with these cells. We have to stay with the ones. Even if we are able to take mice and create the new stem cell lines further after August 9 that would meet all the requirements that the administration has put out on CDC, we're saying, "No, no, you can't do it. August 9 is it." And even if we are able to discover after two and a half years that we may be able to do it without the nutrients from mice -- maybe other kinds of nutrients which would save us that kind of perhaps kind of risk -- we're told we can't do it because it's after August 9.

We commend you for the arrangements that you've made and able to getting one of the 10 suppliers to make a strong commitment to make available the stem cell lines. And we're impressed by your own work in the past in saying that you've been in touch with all of the others and you believe that they will make them available. I think most of us would say that no one underestimates your ability to talk to someone and get an understanding and form an impression about whether that's for real or not, and I have a lot of respect for that. I think many would say we ought to get it in writing because what we have seen, as I understand it from similar situations, that there hasn't been the kind of readily available access when similar kinds of situations have been out there in terms of research at the NIH.

And I think most of us have been around here long enough to see what OPEC was able to do to our economy and to the impact that this has on our society when they get together -- 11 of them. And we're talking not 11 countries, we're talking about 10 basic -- some countries -- but basically 10 entities, and that raises concerns.

So these are all important. We had brief comments about the patents, and you've commented about that. I know you've worked on it. So these do raise some serious questions. But as far as I'm concerned, I want to take what you've said here today and hear from this next panel, their reactions to some of these and then to sort of work with you. I do find at the end of the day, sort of an August 9 deadline -- a sort of drop-date line -- and the unwillingness to be able to, in spite of what follows on in terms of breakthroughs in the areas of research, serve as a barrier to important progress in terms of cancer or Alzheimer's, very troublesome.

But we have learned a good deal this morning, and I've been enormously impressed by your presentation. We will keep in close touch with you on this issue. We want to try and work with the administration. We, again, thank the president for addressing it. And it's just a desire to make sure that we're going to be able to get done what he has said that he wanted done and what, I think, offers the greatest hope for the American people.

Senator Dodd?

THOMPSON: Can I just say, thank you, Senator Kennedy, for your tremendous interest and passion on this subject. And we may not totally agree on whether or not the August 9 deadline is correct or not, but I think we both agree that we need to get the research done and the questions answered.

I thank you for your passion, your advocacy of this issue, and I want to publicly state that I support that and want to work with on as much as I possibly can to accomplish that.

KENNEDY: Thank you very much.

DODD: Mr. Secretary, just to pick up on some of Senator Kennedy's comments -- I think Senator Clinton used the right word -- this is not an inquisition at all. Obviously, there's deep interest in the subject matter not only here and obviously in the scientific community. As we've heard painfully on many cases from the people-at-large in the country who don't understand all of this and a lot of the news media may be, in a sense, hyping a bit what the potential is, but understandably when you've got a family member, a loved one who is suffering and you hear about the potential to be able to deal with Alzheimer's or diabetes or other such illnesses, it is very, very exciting.

I for one, I want to thank you. You're in the box here and we're kind of raising the questions to you, but I think you deserve a great deal of credit for bringing this along as far as you have. I mean, there are some of us here who would like to have seen the administration go a bit further with this, in my view; not that I wanted to see it all, I strenuously oppose the idea of somehow creating -- someone once used the word hatcheries -- I would vehemently oppose that.

But I also understand with the ability to provide people with families through in vitro fertilization and that there are excess embryos here, and I raised the issue with you earlier as to whether or not then there is going to be a position taken on banning the destruction of those excess embryos. And if there is, that would sort of be consistent, I suppose, with the view that they can't be used. If it's not, it raises the quandary, if you're not opposed to their destruction, how could you be opposed to using them? If, in fact, these other lines that we hopefully are going to do exactly what you've described don't pan out, we've got another source there to deal with.

I think you've done a tremendous job and you're right, we now have a position taken by this administration to publicly finance research, having drawn lines -- and I have difficulty with an arbitrariness of an August 9 at 9 p.m. -- but, nonetheless, this is breakthrough. This is

good. And we ought not to allow this hearing to end on a note that somehow, while there is still some disagreements over whether or not August 9 there's some additional embryos that ought to be used, this is very positive. And so, I didn't want the hearing to end without expressing my gratitude to you.

I suspect you had an awful lot to do with this. The fact that there was this speech on August 9, I suspect that you had a lot to do with the fact that there was some breakthrough here, moving the line a bit further than I suspect some inside the White House wanted to be moved. You don't have to answer that. I just have my own suspicions about it and I'm grateful to you and a lot of other people are. And I know that you've got a first-rate team.

I can't tell you how excited I am about the work that's being done in adult stem cell research. I've had wonderful conversations with my friend from Tennessee, who's been enlightening me on cord blood stem cells and what that can mean. And, again, at NIH, I've had wonderful conversations with your acting director out there about how realistic cord blood stem cells might be. But nonetheless, it's very exciting, the work that's being done and so I thank you for being here today and thank you for the work you've done.

Obviously, some of the questions that have been raised; Senator Clinton's questions, Senator Kennedy's. We need to follow up on these pretty quickly, because if it turns out that you're wrong and we can't extract these things, then we've got to revisit this issue. I know you don't want to admit that this morning, but the only thing you said that worried me is that we will never reconsider the August 9 date and I'm not going to ask you to repeat that because I'd like to believe you may want to rethink it. So if we have to come back to that, we're going to have to come back to it and we'll talk to you when that occurs.

Thank you.

THOMPSON: Senator Dodd, thank you and thank all of the members in the panel. I'll tell you, this has been a great discussion and the beauty of it, this holds so much promise of everybody out there that has a loved one that has suffered from breast cancer or for dementia or anything who is waiting for the possibility. We just can't get the information out there that the cure is around the block.

DODD: I agree.

THOMPSON: We have to get this basic research done. The president has allowed that to continue. I'm excited about it and I know you are, Senator Dodd, and I thank you very much for all of your comments and all of your questions today.

(UNKNOWN SENATOR:) Mr. Chairman, just two minutes.

I, again, want to thank Secretary Thompson and the president. A lot of thought, a lot of consideration, a lot of individual meetings, and this issue deserves it because it is -- again, as we look at science -- one of the few issues that we've had to face -- humanity's had to face that has the opportunity both for promise altering the basic building blocks of life, but could also have the unintended consequences. I want to thank you for that.

I do believe that we should expeditiously implement the policy put forth by the president. It's carefully crafted. As this moves forward, it will be important -- again, because science changes so quickly, so rapidly -- that we continuously reevaluate both the progress as well as the needs of this research.

If there's one thing that has come out from your comments and the comments in the last several weeks is that this is an uncharted area of scientific inquiry, whether we're talking about mouse cells or xenotransplantation, which we've addressed in one context of transplanting whole organs, but not quite as much in cells. It demands an ongoing public discussion among the policy-makers, like here today; the scientific community, who we'll hear from shortly; ethicists; the religious leaders; and the American people. It's absolutely

critical to have that discussion on an ongoing basis not just today, but an ongoing basis as science does change and progresses.

We are going to have wait several years before we know whether or not the embryonic stem cell research is going to yield the promise that we all hope that it will. In the meantime, I believe we should move forward expeditiously in implementing the president's policy and continue to examine the progress closely over the coming months and years.

THOMPSON: Thank you.

KENNEDY: Thank you very much, Mr. Secretary.

Senator Clinton?

CLINTON: I just wanted to say that I wouldn't want you to leave thinking that because I and others have raised some very tough issues, we don't totally respect what you are doing and have done.

And I also want to thank our colleague, Senator Frist, because I think he might also have had some things to say and do that have led us to this point. We're very grateful for that. But we need this kind of open, honest dialog where -- this is a decision that because of living in a global media age, we're bringing in millions of people to be part of. It's not going to be made by scientists in a closed lab or senators behind closed doors. This is a society decision that has to be addressed in that way. I know, given your background and what you've done with this particular issue; and, in general, that you understand that and will be, you know, working to lead public opinion as well.

Thank you very much.

KENNEDY: Thank you, Mr. Secretary.

THOMPSON: Thank you.

KENNEDY: The hour is late, but I think we'll try and get started on our panel if we could.

We will invite Dr. Douglas Melton, who is the chairman of the Department of Molecular and Cellular Biology, Harvard University's leading stem cell researcher. He has made numerous important discoveries in diabetes research. Dr. Melton was honored for his outstanding accomplishments in medical research by being named to the National Academy of Sciences in 1995.

Ms. Karen Hersey is the senior counsel for Intellectual Property at the Massachusetts Institute of Technology. She can speak from extensive professional experience from the complications that can arise in seeking access to essential medical research materials.

Dr. James Childress is the Edwin Kyle professor of Religious Ethics at the University of Virginia. Dr. Childress served with distinction on the National Bioethics Advisory Commission, whose report on stem cells is a thoughtful guide to the complex ethical issues raised by this research. It's a special pleasure to welcome Dr. Childress, who is formerly the Joseph P. Kennedy senior professor of Christian ethics at Georgetown University and who has been a great, great leader in all the areas of bioethics and someone I've respected over a long period of time.

Dr. Kevin Fitzgerald is the Dr. Lawlor Professor for Catholic Health Care Ethics at Georgetown and associate professor of oncology. He has written extensively about the moral ethical issues raised by new advances in medicine.

Dr. John Chute conducts research in adult stem cells at Bethesda Naval Medical Center, and I believe that research on adult stem cells should proceed in parallel with vigorous research programs in embryonic stem cells. We welcome his testimony on this important topic.

It's a pleasure to have all of you and we'll look forward to moving ahead. I'll ask Dr. Melton if he'd be good enough to start?

MELTON: Good afternoon, Chairman Kennedy and Senator Frist. Thank you for inviting me to speak here today about human embryonic stem cells.

In the last three years, the potential of these cells has been widely debated in the public, and rightly so. The subject forces us all to revisit the question of when life begins. And we have to scrutinize the crossroads between scientific inquiry, our efforts to improve the human condition and our moral and ethical responsibilities to preserve human dignity.

I am not here to testify on the moral, religious or political aspects of this research. I appear before you as a scientist and as the father of a young boy with Type I, or juvenile diabetes. I will furthermore not speak to you about the human burden of diabetes and will simply say that I work on human embryonic stem cells to try to treat or cure diabetes.

My remarks today will, therefore, be confined to the scientific potential of these cells and the implementation of the president's plan about which we've already heard. In my written testimony, which I'd like submitted for the record, I summarize the properties of embryonic stem cells and put that research in a larger context of recent biological activities and studies at the NIH.

Let me just say now that the ability of these cells to make any part of the body is what holds their promise for therapies. We've already heard about the numerous diseases that can be potentially treated: Parkinson's, Alzheimer's, osteoporosis, and the disease that has my full attention, juvenile diabetes. And I'd simply like to say at this point that while adult stem cells have some similar properties, based on what we know today, adult stem cells do not have all the properties of embryonic stem cells. To give an example, there is no credible evidence for the isolation or growth of an adult pancreatic stem cell, and that alone justifies, in my view, the work on embryonic stem cells.

I don't need to remind you all that the president made an important speech on the 9th of August, and I'd simply like to comment on that date, as I feel it has important implications for the implementation of his plan. That date was not chosen for scientific reasons and its arbitrary selection will unquestionably have an effect on the progress of research. For example, as we've already heard, it will not be possible for federally funded researchers to explore new ways to derive human embryonic stem cells; stem cells that have a broader genetic diversity, or perhaps were grown in the absence of mouse tissue. For example, grown with human as opposed to mouse tissue.

Nevertheless, as Secretary Thompson has rightfully pointed out, the door has been opened and some research can now be done, and I would like to address two issues and make a proposal for the implementation of the president's plan.

One of the things I feel the committee has struggled with is the lack of information about these 60-plus cell lines and legitimate questions were asked about them. Let me simply say that scientists are, by their nature, inquisitive and skeptical, and we hold dear the practice of publishing results following an independent review by qualified experts. Moreover, by publishing results, scientists generally agree that the reagents reported therein, including cells, are to be made available and shared with the research community. In this way, the results can be independently verified, new directions and discoveries can be explored.

The problem with the present case is that only a handful of these 60- plus embryonic cell lines have been published, so it is not yet possible to give evaluation or comment on the quality of the lines. Nonetheless, legitimate questions can be asked about their growth, differentiation potential, age and purity. These issues have already been raised this morning.

What I can say is that decades of experience with mouse embryonic stem cells show that they lose their differentiation potential, become contaminated, accumulate mutations and tend toward spontaneous differentiation or uncontrolled differentiation after a certain period. This is related to the question that Senator Mikulski raised about shelf life. Stated

otherwise, there is incontrovertible evidence that old mouse embryonic stem cells do not have the same potential that young ones do. If I were to give an analogy with a human, it is true that these lines can grow forever and are, in that sense, immortal, but they lose their potential. A 150-year-old person may still be alive but does not have the same potential as a 20-year-old.

I hasten to add that I am not criticizing the NIH nor the scientists who have reported the isolation of these 60 stem lines. Indeed, the scientists have not published their work and they may well wish to further characterize the cells before doing so. It's, therefore, in my opinion, too early to tell how many of the 60 lines are truly useful. Preliminary indications nevertheless suggest that the final number will be significantly less than 60. If the available lines have been extensively grown and have a high passage number, that will further reduce their value.

Let me now turn to the question of availability. A separate issue concerns whether these lines will be made available, and we've already heard that the entities that have derived the lines have proprietary and commercial interests. Experience shows that the negotiation of transfer from those who own the reagent to federally-funded scientists can be slow, expensive and sometimes accompanied by onerous restrictions. It is obvious that the legitimate interests of companies may not coincide with scientists research plans and our nation's public health policy.

I was delighted to hear that Secretary Thompson has made progress with WARF in establishing one such relationship, but it is yet unclear whether he'll be successful in doing so with the other entities.

To get to my final point, I'd like to make a suggestion which I've made before to Secretary Thompson and the NIH, which is a plan to move forward that I think will be most effective given the limitations presented to the scientific community. Specifically, I suggest that the NIH create a repository, not a registry, for this 60 embryonic cell lines. The NIH could collect the lines, determine their quality and certify them for distribution to qualified researchers. Equally important, this plan would have the NIH negotiate favorable terms with all of the suppliers that could be set out in the material transfer agreement.

At the moment, it's very difficult for a scientist to individually negotiate such arrangements, and the federal government and the NIH are in an immeasurably stronger position than are individual investigators to obtain the human embryonic stem cell lines from suppliers. In that way, as I have said, they could verify their quality and arrange for their distribution. I'd like to know whether the NIH would be will to consider doing that given that their resources far exceed that of individual investigators.

In conclusion, Mr. Chairman, I think the president and Secretary Thompson have proposed a plan that will allow federally supported researchers to begin to explore work on human embryonic stem cells and work towards a cure. It's an important step. If my remarks today seem cautions, the reason is the uncertainty I have about the quality, availability and longevity of the cell lines.

Assuming that some of the 60 lines are made available, federally supported scientists can work to understand how these cells can be directed to differentiate and this will lead to new insights into human biology and disease. However, it seems to me perfectly clear that as these studies progress to the point where clinical applications can begin, I expect the plan will have to be revisited principally because the viability or utility of the 60 cell lines will have been exhausted by that point.

In closing, I thank you and the committee once again for the privilege of speaking to you about this important area of biology.

KENNEDY: Ms. Hersey?

HERSHEY: Good afternoon, Mr. Chairman, and distinguished members of the committee.

My name is Karen Hersey. I am senior counsel for intellectual property at the Massachusetts Institute of Technology. It's my understanding that I've been invited here today for the purpose of providing you with an introduction and an overview of the subject of material transfer agreements, known as MTAs, about which you have already heard this morning, and the role that they traditionally play in the exchange of materials for scientific research.

As we already know from our colleagues at the University of Wisconsin, there is every expectation in the academic community that access to stem cells for research will involve the execution of a material transfer agreement between the stem cell provider and the organization requesting them.

MIT does not have a medical school, and in terms of the numbers of materials that we request access to, it is small compared with those institutions that have larger faculties, larger student bodies and medical schools. However, MIT's faculties, students and staff are engaged in a substantial volume of research in biology, biotechnology, bioengineering and so forth, where biological materials are used every day to investigate and teach areas of advanced science.

HERSEY: Like every research unit, whether academic or industrial, MIT investigators depend upon the availability of and the access to, new materials developed by others to move their research forward.

The materials are often proprietary to their owners and not commercially available, or they may be commercially available at a very steep price that the university generally does not have to pay only if it accepts materials under restrictive conditions. And in some cases, the materials will be made available to the academic and the industrial communities under a common set of terms that we in academia find ourselves trying to work with in a contractual framework that is not suited to our environment.

Twenty years ago when I first joined MIT as a licensing attorney, the term material transfer agreement was virtually unknown, or at least unknown to those of us in the administration.

We can reconstruct from the lament we often hear, recalling the good old days that materials were transferred from scientist to scientist and from organization to organization through a phone call or a verbal handshake.

From time to time one page documents or releases arrived generally containing warnings that the materials might be toxic, that they were not to be used for human subjects research and requiring the receiving party to release the sending party from all responsibility for use of the materials.

These one page notifications were almost always signed by the investigator receiving the materials. A check of our database shows that MIT institutionally signed a total of eight MTAs in 1989. That was yesterday.

Today the story is far different. My office at MIT has overall responsibility for incoming material transfer activity at MIT. We have one attorney and one paralegal negotiating more than 75 material transfer agreements a year. We have a database where all MTAs their status as active or inactive, the lab where the materials are placed, the responsible investigator are logged and where the restrictions on the use of materials are also logged. There are over 600 entries covering materials in active use and we are a relatively small university.

The larger state universities and medical schools are looking at exponential increases in these numbers.

So what has happened to change the simple handshake between science into a full-blown negotiation between organizations often taken months? No doubt there are any number of theories out there that might be supported, but as I consider the events over the last decade and a half, it leaves me to attribute the change to three factors.

The first is the explosion of the biotechnology industry and the recognition by both the industry and the academic community during the 1980s and 1990s that certain combinations of the materials, certain methods of producing them or methods of using them could in fact be patented. From then on, the materials, especially those that were unique took on an added value and the transfer of them under terms that would protect intellectual property rights of the owner became singularly important.

The second was the companion recognition in the late 1980s that the sharing of materials might just translate into an advantageous business opportunity for the owner. If materials could be cast among academic scientists, industry bench scientists and government researchers, might there not be interesting know-how improvements in new discoveries that could real back end if the materials owners implanted hooks into its agreements.

Third, it's clear from the negotiations that we conduct now that fear also played a role in the demise of the traditional transfer by handshake. That is a fear of deep pockets liability if materials were misused and also a fear that a potential business opportunity for the materials owner might be thrown away if the materials were sent out with no hooks applied.

That background should provide a clearer understanding of why in today's typical material transfer agreement received by an academic institution, it is now common that some combination of limitations, restrictions, give-backs, or reach-throughs will be found. Before materials can be introduced into scientific research programs, the terms under which the owner is willing to make them available will need to be reconciled with the proposed scientific research program, the sources of funding for it, and the institutional policies having to do with freedom to publish, the importance of sharing research findings with colleges and with technology transfer.

If I may, I would like to just take a very short time to take you through some of the very common but problematic terms that we are apt to see in the agreements that must be signed before the transfer of materials can be accomplished.

I would like to say that it's between nonprofits -- except for nonprofits, it is totally unusual for us to see a one-page material transfer agreement unless the type size is minute. Most often these agreements will run well beyond the two-page quick transaction limit. They will commonly define or identify the materials they cover and routinely expand that definition of materials to subsume progeny that might be split off or replicated.

While that's clearly understandable, unfortunately, all too often the definition of the materials as expanded by the owner to encompass modifications and derivatives of them. This is where the problems for the receiving scientists are likely to begin. For if the owner owns the materials under this expanded definition, the owner also ends up with ownership of the modifications and the derivatives made by the receiving scientist.

The ownership problem is exacerbated if the materials provider also wants ownership rights to all improvements, inventions or discoveries developed as a result of using the materials.

If there is not an ownership issue, there is most likely a licensing issue. Materials owners may require an exclusive license royalty-free to all inventions and research results made through use of the materials, or they may require open ended options or first refusal rights to license inventions relating to use of...

KENNEDY: We're going to give you another minute or two to wrap up.

HERSEY: Yes. Thank you, Senator.

At a minimum, the materials provider -- if the materials provider is a commercial company or university may expect to grant that company a royalty-free, nonexclusive license.

I would just like to end by giving you a couple of observations that might help as you look at or contemplate the kinds of agreement that may come in with the materials that are going to be used by NIH research. We do have at MIT a slightly more difficult time with material

transfer agreements coming in from foreign organizations. There is a problem with control over use of the materials, intellectual property rights, and in fact some of the materials are not owned by the foreign institutions at all, but by the faculty, the scientists who develop them.

I would just like to end by saying finally, how do material transfer agreements really affect the scientific work of a university? They tend to be comprehensive legal agreement presenting unique and complex issues for a university. That means they're time-consuming to negotiate as you have already heard, and hold up research efforts. They often contain ownership licensing and reached through terms and conditions that are inconsistent with federal requirements attached to federally funded research.

They may prohibit or restrict publication of research in a way that is unacceptable to the academic institution, and they may discourage innovation because in fact the materials provider will control commercialization rights.

Thank you very much.

KENNEDY: Thank you.

DR. Childress?

CHILDRESS: Good afternoon Mr. Chairman, and members of the committee. I am James Childress. I teach religious ethics and biomedical ethics at the University of Virginia and also serve on the National Bioethics Advisory Commission.

I've been asked to present my own views on the ethical issues in human stem cell research. In doing so, I will sometimes draw on INBAC's report on this topic along with its recommendations, which I as a commissioner helped prepare and also endorsed.

I will briefly summarize several points from my longer written testimony, and I would respectfully request that that testimony be entered into the record.

KENNEDY: All of the testimony will be included.

CHILDRESS: Thank you very much. I appreciate the thought and consideration that went into President Bush's policy. But other more flexible policies are also ethically acceptable and even preferable.

President Bush's policy suggests that it's ethically acceptable to use federal funds for research on stem cell lines that were derived prior to his announcement August 9 if the derivation also met certain ethical requirements. Specifically, the donors of embryos that were created solely for reproductive purposes must have given an informed consent without any financial inducements.

If this policy is ethically acceptable, satisfies basic ethical standards, and I believe it does, then it should also be ethically acceptable to do the same thing prospectively. That is to provide federal funds for research on stem cell lines derived in the future after August 9 as well as before within the same ethical guidelines.

The prospective policy would offer greater and needed flexibility, especially in view of the scientific uncertainty about the value of the approved cell lines. And it would be ethically preferable because it would increase the possibilities for imported research without violating ethical standards.

This prospective policy can be undertaken without sanctioning or encouraging further destruction of human embryos. Those were legitimate major concerns in President Bush's statement.

We can establish effective ethical safeguards to ensure that a couple's voluntary decision to destroy their embryos is voluntary and informed, or that their decision to donate them for research is voluntary, informed and uncompensated.

The research then would only determine how the destruction occurs, not whether it will occur.

In making these points, I want to stress that no consensus exists among religious and secular moral traditions in our society about the moral status of the un-implanted human embryo. Public policy in our pluralistic society has to respect diverse fundamental beliefs, and yet it must not be held hostage to any single view of embryonic life.

Whichever policies are finally adopted to enable stem cell research to go forward within ethical limits, we will need a very strong public body to review protocols for deriving stem cells from embryos and to monitor this research.

Perhaps the Council on Bioethics, which President Bush has announced, can fulfill these functions.

If not, some other public body will be needed. For example, the UK has established by statute the Human Fertilization and Embryology Authority, which reviews all embryo research, as well as licensing reproductive technology and fertility clinics. It reviews all embryo research in public and private arenas. And Congress might consider that model for our society as well.

In a recent editorial in *Science*, ethicist LeRoy Walters stressed that governments and their advisers should be humble and flexible but also decisive and courageous.

We must carefully scrutinize claims of scientific promise, but we must not unduly constrain research that may help alleviate human suffering and reduce the number of premature deaths. Indeed, we have a collective moral duty to try to alleviate human suffering and reduce premature deaths, just as we have a collective moral duty to respect important ethical limits in dealing with developing human life.

We must also provide clear and stringent ethical safeguards in stem cell research, along with strong review and oversight. And I think, in the final analysis, we must avoid unduly rigid rules that appear to be arbitrary and inconsistent.

Thank you very much for your attention. I will be glad to answer any questions.

KENNEDY: Thank you.

Dr. Fitzgerald?

FITZGERALD: I would like to thank the chair, Senator Kennedy, and the members of this distinguished committee for this opportunity to come before you today to discuss this issue. I would like to bring to bear on this issue my background in molecular genetics, in bioethics and in religion, to present a somewhat different perspective on this issue than I think we've heard yet today. And in doing so, I would like to offer a caveat. There is no way that I can do justice in the brief time allotted to me to the numerous serious, well informed and thoughtful people who are deeply concerned about this research and the ethical and moral ramifications of pursuing it. And these people of course include scientists who have no specific religious affiliation.

Since I have limited time, let me focus on an issue that was raised earlier by Senator Frist and then again by Senator Dodd. And that is the issue, what do we do when we do not know?

And there is much in this area we do not know. We do not know much of the science, and we do not know much of what the ethical, moral and social ramifications will be.

How are we going to respond to that lack of knowledge? Because in that lack of knowledge, we truly run the risk of overselling the promise and under-emphasizing the problems associated with human embryonic stem cell research.

As Senator Clinton stated, it is extremely important that we receive and create a factual base here on this issue. And that factual base will of course include more than just the scientific facts.

In addressing this controversial issue, many groups and committees such as the National Bioethics Advisory Committee and also the proposed committee to be directed by Dr. Leon Kass, many committees have been gathered together bringing experts from various fields of inquiry and interest to propose how our pluralistic society should respond to this controversial area of biological research in pursuing progress while protect justice.

For instance, as Dr. Childress has mentioned, in trying to balance the concerns of many people in our nation, the National Bioethics Commission came to the understanding that human embryos are not just tissue. They do have some moral status and some value to society. In deciding that, the National Bioethics Advisory Commission, as well as others who have come to similar conclusions, set the bar higher for us to pursue human embryonic stem cell research, than it might be said for other avenues from research.

So in order to clear that bar and justifiably pursue this research, one would have to meet a high standard.

In addressing a comment made earlier by Senator Specter, he said it's important that science may have the full range of opportunity. I think it's also important to recognize and remember that we already limit what science can do, especially in terms of human research.

The two areas that are most often raised as important to address in meeting that higher standard for human embryonic stem cell research are need and also the number of people who will benefit from this research.

Let me first address the issue of need. Do we need human embryonic stem cell research?

Granted, human embryonic stem cell research is scientifically quite interesting, fascinating and of great interest to the people who do that research to pursue. However, often times we talk about pursuing it in connection to the number of therapies and cures that will be discovered. In fact, I believe the phrases of "countless number of people" and, as Senator Specter, it will touch virtually every family in America.

I would argue that we could make the same claims for other avenues of research. Certainly research being pursuing in genetic therapies, research in cardionics, researching drug development and of course research in adult stem cells.

All of these other areas of research do not need to set the bar as high in being pursued: Embryos, human life is not destroyed. Yet at the same time, scientists involved in those avenues of research could make similar claims as to potential of their research and the number of diseases they are addressing.

Secondly, when we talk about the number of people who will be treated and or cured by any of these medical areas of research, we must be careful. We must be careful again not to oversell the promise. And remember that in fact, there are many even in our own nation that do not have access to these new technologies and cutting- edge medical products.

Actually Senator Murray brought up a very interesting example. She asked the question, "Would we have to keep human embryonic stem cell products hostage to such things as male baldness?"

And the interesting parallel there is, in the early '90s, a drug was developed with FDA approval to treat a disease that afflicts hundreds of thousands of people a year. It's called sleeping sickness. It happens in Africa. The drug was the most effective drug against that disease known. That drug was developed because it might be a cancer research tool or a cancer therapy. When it proved not to be so, the company that was producing the drug decided not to produce it any more even though it could cure or at least treat hundreds of thousands of people.

However, the drug is back. It is back because it has a side effect. It causes hair loss, and so they have turned it into a cream that women can use to treat excessive facial hair.

When we say that we are going to promise people these wonderful potential therapies and cures, are we indeed giving them the accurate assessment of how our systems work?

My issue is not necessarily specifically with the pharmaceutical industry but in promising the people of this country and perhaps the world a solution and a promise that we cannot fulfill.

I think I very much appreciate the work of this committee. I appreciate the reflection that has gone into the many proposals here and the many presentations. And I certainly hope that we continue in our reflection on this very serious issue.

Thank you very much.

KENNEDY: (inaudible) of that drug you're talking about is methotrexate. My son, who had osteosarcoma took that. He was in a NIH trial and survived. I know it's about 85, 95 percent survival rate for children in that area. And so you would have a tough time convincing me about that particular one.

I just picked that up.

FITZGERALD: Well, actually the drug is flurazepam, not methotrexate.

KENNEDY: OK, I stand to be corrected.

Dr. Chute?

CHUTE: First, I want to thank you Senator Kennedy, and the committee for inviting me to appear here today. I come to this issue as a clinician first, as a clinically trained hematologist and oncologist. And for the past five-and-a-half years I've also now been directing research in adult hematopoietic stem cell biology.

I also want to say that it's been with great interest that I've followed the work of Dr. Thomson and those who have done embryonic stem cell line research. And I've been fascinated that they've been able to propagate these cells in vitro as long as they have shown they can in peer review journals, and they can get these cells to differentiate into neuronal hepatofelio (ph) muscle and hematopoietic cells.

And it's very understandable that patients with very serious diseases are very excited and hopeful that there may be cures in the future for such things as diabetes, Parkinson's and Alzheimer's derived from further research on these cells.

But as the national discourse on embryonic stem cell research has progressed, there has been ironically a diminishing appreciation of the exceptional progress that has been ongoing and occurring in adult stem cell research. And I appear today so as to highlight the critical importance of the ongoing research in adult stem cell biology.

In the year 2000, there were 1.2 million new cases of cancer in the United States. Cancer is the second leading cause of death in the United States. And the incidence of cancer is increasing.

Adult hematopoietic stem cells have been and are currently used successfully in the treatment and the cure of patients with leukemia, lymphoma and other hematological (ph) malignancies. Also of great interest is newly developed methods of transplanting adult hematopoietic stem cells have now been shown to affect major remissions in solid tumors. And there's a group at NIH lead by Dr. Barrett and Dr. Child who have recently shown that kidney cancer can be put into remission with the donation of donor normal bone -- excuse me -- peripheral blood stem cells, which is a fascinating new development in the use of these cells to treat cancer.

Therefore, as this work moves forward an even greater number of patients will benefit from adult stem cell transplantation. As further evidence, I submit to you that the two most

important medications that we as oncologists give to patients in their cancer treatment are Epogen and Nupogen, which are both growth factors, both of which were developed and isolated through federally funded adult stem cell research.

These medications promote the recovery of red and white blood cells following chemotherapy, and allow patients quality of life to be significantly improved while also preventing life threatening infection.

Adult hematopoietic stem cells are the idea vehicle for gene therapy to treat such diseases as sickle cell anemia, hemophilia and immune deficiencies. More than 100,000 children in America are inflicted with these life-threatening genetic diseases.

For the first time in the past two years, two recent publications have shown the successful gene transfer in to patients with disease. Both of these studies used adult hematopoietic stem cells.

At the end of the year 2000, there were 70 Americans awaiting organ donation for kidney, liver, heart or lung disease. Recent animal studies indicate that current administration of hematopoietic stem cells, along with organ transplantation may dramatically lessen the need for immuno-suppression. If this work moves forward, thousands more patients will be able to be successfully transplanted with organs with much less morbidity.

In addition, to these current applications, even broader clinical therapies will derive from adult stem cells in the near future. Published reports in the last five years have shown that transplanted bone marrow stem cells can differentiate Invivo into functional liver cells, skeletal muscle, brain cells and even functioning cardiac myocytes.

These data indicate that a rare subset of hematopoietic stem cells are in fact pluripotent and posses at least limited plasticity. Adult cord blood stem cells can be maintained in culture now for up to 12 weeks. Our laboratory has shown that bone marrow stem cells can expanded 10 fold in just a week or culture under specialized conditions.

Whether adult stem cells with match embryonic stem cells in the treatment of diseases such as Parkinson's or Alzheimer's remains unknown and in my opinion is probably unlikely.

But given the dramatic progress in adult stem cell research in the last five years, I think continued funding is merited.

To close, I would like to just make a few points about embryonic stem cell research that are scientific concerns.

First, immune barrier for embryonic stem cells to work in the transplantation for the treatments like Alzheimer's and Parkinson's will require immune barriers to be crossed.

Scientists who are expert in the field, and in specific, Dr. Thomson at Wisconsin, has argued that cloning is the way to get beyond this. And in fact, I think the scientific community recognizes that if these immune barriers cannot be crossed with some method such as nuclear transfer, that the translation into actual therapies for patients will be extremely difficult.

Second, animal studies indicate that the transplantation of embryonic stem cells actually has a high incidence of teratoma or tumor development in small animals. In vitro differentiation genetic engineering of embryonic stem cells prior to transplant has been proposed as much to circumvent this problem.

But both of these approaches have further technical concerns. As Dr. Thomson himself has recently cited, the heterogeneous nature of embryonic stem cell development in culture has hampered the use of embryonic stem cell derivatives in transplantation.

So I close with a very brief following statement. The limitations of embryonic stem cells as a source of transplantable tissue should be openly and honestly presented to the public since treatments and cures in these cells are certainly not imminent.

In contrast, adult hematopoietic stem cells are successfully used in the treatment of patients with common diseases every day. And genetic engineering is not required for these cells to be safely applied.

New treatments for diseases are imminent with adult stem cells and not hypothetical. And while scientists continue to explore the basic biology of embryonic stem cell lines, the needs of thousands of patients who benefit from adult stem cell research should not be sacrificed.

Thank you.

KENNEDY: Thank you. Thank you, very much.

I thank all of the members of the panel. We're going to recess. I would like to come back for some questions at 2:15. I know this goes as some concern perhaps for your schedules, but if you can. If you can't, I can understand. We will submit some written questions.

I don't think it will take long. Hopefully, we would have you out by 3:00 o'clock. But if we could do that, we would very much appreciate it. We've had a very full morning and the two parties have these caucuses that start at 12:30. See most of our members have gone. I think by 2:15 they will have ended. And we hopefully might have some additional participation.

I am very, very grateful to all of our panelists.

(UNKNOWN): Mr. Chairman?

KENNEDY: Yes.

(UNKNOWN): Let me just add that this is fascinating based on our discussion this morning. If some of the panelists cannot stay, if we could just submit them written questions. We don't know what their schedule is.

KENNEDY: Certainly.

(UNKNOWN): Because I do have questions and again I hope that we can spend some time this afternoon. But if we could submit written questions if you cannot stay.

KENNEDY: Thank you. We will meet again at 2:15. The committee stands in recess.

(RECESS)

KENNEDY: We'll come back to order. And I'll invite witnesses to return to the stand if they would, please.

Thank you very much for adjusting your schedule. And I'd like to go through some questions here if I might. I might start with Dr. Melton.

You've expressed several concerns about the restrictions placed on stem cell research under the president's proposal. Do you believe that the restrictions could significantly impede the scientific progress and slow development for new cures using these cells?

MELTON: Yes. Yes, I do. I do think they would impede -- they will impede progress.

KENNEDY: Do you want to elaborate on that? We talked this morning about the issue of accessibility, reliability and the safety, the contamination. What is your own -- as a researcher, which is your own concern about?

MELTON: Well, I could give one example, which is, you could imagine with the cells that are available scientists discover a means by which they can turn human embryonic stem cells into pancreatic beta cells for the treatment of diabetes. You would then want to use human embryonic stem cells that have been derived freshly in the absence of these potentially contaminating mouse feeders and use those for therapies because that would eliminate concerns about known and unknown viruses.

And as I understand it, the new cell lines which would be derived would be ineligible for federal researchers. Is one example of the possible problems that will likely arise.

KENNEDY: How concerned should we be about contamination do you think? I mean, have you used products from other countries? What's your own kind of sense -- what's your own knowledge? What would be your -- how high would you think that the risk might be?

MELTON: Well, I'm not really qualified to comment on that. But I would say that the FDA, as I understand it, will treat this as a xenotransplant, which means that the hurdles and the requirements for using it in therapy will be much more onerous. Dr. Chute can probably comment more on the difficulties in using animal products for treating humans.

KENNEDY: Dr. Chute?

CHUTE: Good morning, Senator Kennedy.

In our laboratory we have worked with a feeder layer that was a porcine feeder layer to grow adult hematopoietic stem cells. And I have had iterations with the FDA both on using a porcine and a human feeder layer. And one question -- there is a series -- a long series of safety tests that you have to do on the human cells that are cultivated with xeno feeder layers, such as mouse, porcine. And even with a human feeder layer, there is still a very, very long lists of safety tests that have to be done.

But I would make a comment that I don't think it's impossible -- I don't think it's impossible that if you use a mouse feeder layer that the human cells derived from those cultures could ever be used in a clinic. I think it just makes it more arduous without question. You might add a year or two potentially to the time before you get to the clinic.

KENNEDY: Well, you're certainly restricted now under the August date.

CHUTE: Right.

KENNEDY: So you can probably get there.

After reviewing the agreement, Dr. Melton, signed by NIH and the University of Wisconsin I see that it expressly forbids use of the cells for therapeutic or diagnostic purposes. What are the implications of restrictions of this kind for the work you do in trying to find new treatments for juvenile diabetes?

MELTON: Well, first, I'm sort of surprised by that news because I haven't seen the agreement. But if it is the case, as you say, that the cells could not be used for treatments, that, I would think, would be a damning condition. I mean, clearly, there is no point in doing the research I'm doing if it weren't for the possibility of treating people. So I'd have to see the conditions to comment further.

KENNEDY: Ms. Hersey, the present plan gives a handful of suppliers control over all the federally approved stem cell lines. And based on your experience negotiating agreements with private companies, wouldn't you agree that this type of monopoly is likely to make it difficult for NIH funded researchers to get prompt access to the cells?

HERSEY: Well, I think it's -- yes, I think it's going to make it very difficult, Senator.

KENNEDY: Are you familiar with other -- are there other types of situations that you know from the past that are in any way similar to this kind of a monopoly?

HERSEY: There have been several, especially where the company holds patent rights. We have seen a number of them. In some cases, the NIH has been able to step in, as they have this time, and try to make a difference for the university researchers. But I would say at least 20 percent of the time, we cannot get access to the materials we want because of the encumbrances.

KENNEDY: Dr. Childress, I want to underline one point you made in your testimony. Is it fair to say that you see no ethical differences between a stem cell derived from a discarded embryo on August 9th and one derived at a later date?

CHILDRESS: As long as we meet the kinds of ethical standards that President Bush laid out -- and I think those were -- those are important ones about the embryo being left over following efforts at reproduction, that the donors give voluntary informed consent and there is to be no financial inducements. That if we go forward and can apply the same ethical standards to the derivation of stem cells from embryos in the future, I can't see an ethical difference. I can't see that what happened before August the 9th and what happens after is ethically different.

The concern that some have expressed that this might well sanction and encourage the destruction of embryos I think also is problematic as a concern. Because after all, even to this point, people may well have made decisions about destruction of embryos and the possibility of privately-funded research, since that research has been going forward.

Furthermore, we really don't have evidence from fertility clinics that people who are deciding to discard embryos make this a major factor in decision making. So I would be inclined to say that we can build the ethical safeguards to prevent the kind of scenario that has concerned many.

KENNEDY: Have you formed any -- you followed the fetal transplantation issue closely?

CHILDRESS: Yes.

KENNEDY: Have you formed any impression or -- maybe I'd ask others on the panel about whether we ought to try -- in that debate, we had the agreement for the use of certain fetal tissue. But we also established guidelines for utilization in the private sector -- the private sector. Have you thought about that issue as well? And can you tell us what your thinking has been? What the advantages or concerns would be, or perhaps the disadvantage?

CHILDRESS: Well, first of all, I think there is significant parallels between the kinds of ethical safeguards one would try to set up -- which appear to have been effective in the area of, you know, human fetal tissue transplantation research, and the kinds of guidelines that would be appropriate in two different settings. One would be the use of embryos left over after in vitro fertilization.

But also, the research we've not really talked about today, the derivation of embryonic germ cells from aborted fetuses. And one could draw a parallel there also. And that area of research has been omitted from much of the recent discussion. And I'm not sure whether it merits further attention or not. I've not followed the scientific developments on that side. But one could perhaps make a case for paying some attention to that as well.

KENNEDY: Throughout your distinguished career, you've shown a deep, sort of, reverence for life. Do you think that allowing federally funded doctors both the use and derived stem cells from discarded embryos consistent with those deeply held beliefs?

CHILDRESS: I believe so. First of all, if we worked with the notion, which the National Bioethics Advisory Commission also tried to articulate, that it's very important to recognize that the embryo deserves an important form of respect -- appropriate to that stage of developmental life. Now there will be widespread disagreement in society about, as I've mentioned earlier, about the moral status of the embryo and exactly what kind of respect it deserves, what kind of protection is appropriate.

On the National Bioethics Advisory Commission, we drew several implications from a notion of respect for the early embryo. One certainly was that in this area we should not be buying and selling embryos. Or if we're going in the direction of fetal tissue, we should not be buying and selling fetal tissue. And we -- one could also argue that you should not use left over embryos unless they're necessary.

Now, there would be considerable debate. I happen to be on the side of those who think that given the promise of this research for alleviating suffering and reducing incidents of premature death that we ought to be exploring all sources of stem cells at this point. And I certainly agree with my colleagues who stress that we should not neglect adult stem cells in this process. And just see which ones would be most important in developing the kinds of treatments, and we'd hope, cures, that might be possible.

One implication that we drew of this principle, respect for the early embryo, was that at this point we should not deliberately create embryos for purposes of use in research, whether through IVF or so-called therapeutic cloning.

Now, we emphasized -- and I would agree with this emphasis -- that the point we are making was at this time, because it may well be necessary to revisit this question of so-called therapeutic cloning if the basic research ends up producing some clinically effective treatments that may well best be done -- or perhaps only be done with matched tissue. So it may be necessary to revisit that at some point.

But as we've heard from many colleagues, we still have a long ways to go before that becomes a critical question again. And then might raise the issue of the necessity of going that direction.

I would be opposed though at this point to a ban on therapeutic cloning worrying that that would indeed set an inappropriate limit for future developments.

KENNEDY: OK. Well, I'm going to -- we will submit some of the questions of our colleagues. And I'm grateful to our panel.

I thank all of our witnesses for the excellent testimony. It's been an extremely informative, important hearing. It's clear that stem cell research offers a virtually unprecedented opportunities to find cures for a host of dread afflictions from cancer to heart disease, diabetes to spinal cord injury to Parkinson's disease to Alzheimer's disease.

But it's also clear that there are serious concerns in the scientific community about whether the restrictive rules currently imposed by the Bush administration allow this research to proceed speedily and effectively. These concerns range from the number, safety and durability of the existing cell lines to where they will truly widely available to researchers.

The memorandum of understanding that Secretary Thompson announced this morning specifically prohibits the use of a cell lines in clinical research, the research that is done to actually test possible treatments for illnesses. Billions of patients and their families expect that stem cell research will move forward as rapidly as possible. It would be unacceptable to offer these patients and families the promise of effective cell research but deny them the reality of it.

We will continue to examine the question raised at the hearing. I'm optimistic that Congress will take whatever steps that are necessary to assure that stem cell research proceeds effectively and ethically.

And our committee stands in recess. I thank our panel. Thank you very much.

END

"CBS Evening News," CBS, 9/13/2001

Joining us now from Washington, United States Senator **Hillary Rodham Clinton**, of New York. Senator, thank you for your time tonight. You met with...

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Thank you, Dan.

RATHER: ...President Bush today. What happened?

Sen. **CLINTON:** Well, Dan, we went to the White House and a small group of us--Senator Schumer, the senators from Virginia, and I--met with the president and his security team in the Oval Office. We received a briefing about what is currently the outlook for return to normalcy, other security considerations. We discussed the upcoming trip that we will make with the president tomorrow to New York. I'm delighted that he'll be able to come and see firsthand what you've been reporting, and I thank you for that--and what I saw yesterday. And he pledged his support for some significant resources, \$20 billion for New York and the other states that were directly impacted by this attack. We then went into a larger meeting where the president expressed his resolute determination to follow through on the following up of the perpetrators--finding where they are, bringing them to reckoning and to make it clear that every nation has to either be with us or against us. Those who harbor terrorists or who finance them are going to pay a price.

RATHER: Senator, there's talk of what amounts to a m--new Marshall Plan to help rebuild New York City. Was that dis--discussed with the president today directly?

Sen. **CLINTON:** Well, y--those words weren't used, Dan, but that's what we're facing. The devastation, as you have seen, is just overwhelming. We not only have the--the physical destruction that I saw from a helicopter yesterday and from the ground later, which has to be dealt with, but everything you can't see--the communications that don't work, the generators that don't work, the subway that's closed. We have the human toll, the loss of life; the task of continuing to try to rescue anyone we can find alive; the task of bringing home to everyone who's lost someone, their loved ones; the counseling--the grief counseling; the mental health services; the people who lost their jobs. You know, we lost, we think, probably about a 100,00 to 150,000 jobs. There weren't just high-paid financial traders, but you know janitors who have no source of income now. And most poignantly, we've got orphans and we've got widows and widowers and parents who've lost their children. So it's going to be a massive undertaking but I'm absolutely confident that with the president's support, the support of my colleagues, America's going to stand with and stand behind New York.

RATHER: Senator Clinton, you lived in the White House for eight years while your husband's administration tried to deal with Osama bin Laden. Did you ever in your wildest imaginations believe this kind of thing could happen?

Sen. **CLINTON:** Well, Dan, I've always been very concerned about the threat of terrorism. I consider that our number one homeland threat. But I--I did not imagine the planning and the calculation, the total cold-hearted evil that motivated the attacks that we saw. I think it's imperative that we support the president in his efforts to root out whoever did this and all of that individual's or institution's or state's involvement. But I would also say that this is a difficult war we are going to be waging. If it were easy, we could have figured it out before this terrible tragedy. I remember very well being in the White House and the difficulty of getting good intelligence, of knowing where a--a suspected terrorist is, of having to count on people who--whose loyalties are not to the United States but who might, for their own reasons, have provided essential information for one of our missions. The president understands this. He's fully aware that it's going to take a lot of patience and painstaking planning and we're going to support him.

RATHER: Senator Clinton, thank you very much.

Sen. **CLINTON:** Thank you, Dan, and thank you for the work you're doing and all of your colleagues.

RATHER: Thank you, Senator.

"Larry King Live," CNN, 9/13/2001

KING: Michael Cherkasky, president and CEO of Kroll, incorporated. I spoke a little while ago with New York Senator **Hillary Rodham Clinton**, a very short time ago. And our first question was, was she concerned about the evacuation of the Capitol today.

(BEGIN VIDEOTAPE)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, Larry, I had already voted so that I had left the Capitol. I was on my way back to the Russell Building so that I could talk with you tonight. And I was very concerned, but I quickly learned that there wasn't any real basis for concern. But we're taking every precaution we can, and that was one of the necessary ones.

KING: The president's going to your state tomorrow. Are you going too?

CLINTON: Yes, I am. I went to the White House earlier this afternoon. We had an excellent discussion. I met first in the Oval Office with the president, my colleague, Senator Schumer, the two senators from Virginia. We pledged our support. We received a briefing from the president.

And I was delighted to also learn that the president would support the request that Senator Schumer and I have made so that New York gets the resources that we need to deal with this extraordinary tragedy.

Then we had a larger meeting in the Cabinet Room with representatives and senators from a number of states. The president was resolute, determined. I felt very positive about the meeting.

KING: Will you be traveling with him?

CLINTON: Yes, I will. I'll be going with the president back to New York where I was yesterday with the governor and the mayor after we have the national prayer service at the National Cathedral.

KING: You know, you -- were in those seats. Sandy Berger told the Associated Press today that your administration -- the Clinton administration weighed a military strike against bin Laden in the final days of that presidency. What can you gather this must be like?

CLINTON: Well, I told the president today -- and I have publicly stated this, Larry -- that I do have some understanding of the extraordinary burdens that any president bears. And a time like this just magnifies them immeasurably.

This is a different kind of war. And make no mistake about it, we are at war. But we're at war against an enemy that doesn't have a capital, doesn't have a state. When Pearl Harbor was bombed, we knew where to look and we knew what we needed to do to win.

So this is a more difficult time. But I'm absolutely confident we are up to meeting this challenge.

During the years that my husband was in the White House, you will recall we did launch an attack on some of Osama bin Laden's assets in Afghanistan and we were successful in a limited way with respect to some of the personnel and equipment. But we were not successful in eradicating him and his network from the terrorist activities that they foment.

So this I know, and the president knows. Nobody is in any way misled about the profound nature of this challenge. But we have to be up to it, and we are up to it. And I'm going to support the president in the actions he takes.

KING: And is your husband, as well, fully in support?

CLINTON: Absolutely. You know, Bill was in Australia when this happened. The president sent a plane to bring him back. I think they really took measures to secure all of our former presidents, but particularly my husband and the president's father, because both of them had taken action against certain organizations and individuals. So I was very grateful for that.

So Bill is back home. He's in New York. And he has made it very clear, both privately in his conversations and his public statements, that he is 100 percent behind the president.

KING: I know the president's doing everything he can for you and your state. Are you giving him carte blanche as to what he can do internationally?

CLINTON: Well, I'm certainly supporting his authority to take those actions that are necessary on behalf of our country and our homeland defense. There is, as we speak, an effort under way to draft an appropriate resolution that will express the sense of the Senate.

I've been seeking the advice of some of the senior members who have been around here a while, who were part of the Gulf War resolution, and even going back further than that. So I'm confident that we will come up with an agreement that will give the president what he needs.

KING: What are you saying to those who ask you in defense in the like of how far we go with this?

CLINTON: Well, I think that we have to clearly define what we know about the threats, what we know about the perpetrators, what we know about those who harbor terrorists.

I was very pleased that the president, in his speech to the country, said that it's not only America's goal to track down and hold accountable those who carried out this dastardly attack, but also to serve notice on anyone who harbors terrorists.

And I would go even further, as the president has in our discussion today. We are going to be looking at those who finance terrorism; those who give any aid or comfort whatsoever, not only governments, but institutions, individuals, organizations wherever they might be found.

KING: And finally, what do you say to those New Yorkers who are still missing loved-ones?

CLINTON: Well, you know, we're only beginning to see the depths of anguish and pain that will be visible in the days and weeks ahead. We don't know yet how many people will never go home again, Larry.

We do know that we have orphans and widows and widowers. We have mothers and fathers who have suffered what no parent should ever suffer, the loss of a child. We've got a lot of hard work.

You know, when we think about responding to this attack, of course we think first and foremost about defending ourselves and tracking down those who did it. We think about the hard work of rescue and reconstruction and rebuilding. But let's not forget that we have a work of compassion ahead of us.

KING: Thank you, Senator.

CLINTON: Thank you, Larry.

(END VIDEOTAPE)

"CNN Live Event/Special," CNN, 9/13/2001

JUDY WOODRUFF, CNN CORRESPONDENT: Joining us now from the Capitol, the Senator from the state of New York, Hillary Clinton. Senator Clinton, we have been listening to some heartbreaking stories from people looking for loved ones. Can you bring us any new information about recovery efforts there?

SEN. HILLARY **CLINTON** (D), NEW YORK: Judy, they continue. They continue, even as we speak. They will continue as long as it is humanly to hope that we can find any survivors. We had some good news today when we found some of our firefighters and another citizen. So we are far from giving up on this aspect of this search and rescue mission.

WOODRUFF: Senator, what price do you now believe New York will ultimately pay in terms of lives, its economy, its financial well-being and so forth?

CLINTON: Well, Judy it's devastating. And of course this was not only an attack on New York, but an attack on America, and because New York is the global city and, you know, an engine of American economic growth this is a loss that is going to be felt throughout the country and even the world.

But directly at home where we have suffered most grievous losses, there is not any inventory of any kind yet. We are going about the painstaking business, as I saw firsthand yesterday when I visited with the mayor and the governor, of trying to make sure we account for every person.

The necessity to really know who may be missing is bringing people down near the site to the Armory on Lexington avenue where they can register and give information about their loved ones. I think we are at the beginning of what will be a very emotional time for our country, because the horror of seeing planes crash into the towers, the unbelievable just moment of pure horror in watching buildings collapse is now going to be made even more painful because we are going to have faces to go with those people who were just going about their daily business, doing their jobs.

And we are also going to know more about the individual firefighters and police officers and Port Authority officers and emergency technicians, all of whom lost their lives. The economic costs are just beginning to be calculated.

I was very grateful today when the president agreed with a request that Senator Schumer and I made for an additional \$20 billion in the supplemental appropriation to deal with the overwhelming cost principally in New York, but also New Jersey has been effected, other places.

WOODRUFF: We are talking in the neighborhood of 40 billion now?

CLINTON: Yes and 20 of that will go for purposes such as beefing up our intelligence, repairing the Pentagon, the military assets we need making it clear that we are going to afford whatever security precautions are necessary at our airports and then \$20 billion will go to the kind of rescue, reconstruction, rebuilding, counseling efforts that are going on right now in New York.

WOODRUFF: Senator, we are hearing from President Bush, Secretary Powell and others at the Pentagon and elsewhere in the administration that no effort will be spared, in effect, to go after the people that were responsible for this. Are you are prepared to give the president, in essence, a green light to do whatever he and the people around him think is necessary to find these people.

CLINTON: I am going to support the president's authority to wage war on these terrorists and wherever they are, root them out and make clear that anyone who provides comfort or financial aid is going to pay a price.

We are in the process of drafting the resolution. I have consulted some of my colleagues that have been here a lot longer than I, who went through the Gulf War and even before, to know exactly the best way to go about doing that. But we are going to come to agreement

behind the president to give him the authority and the resources as Commander in Chief that he requires.

WOODRUFF: What about a threshold of evidence? Is that something that is a factor here?

CLINTON: Judy, you know, this is not a legal case. I use to practice law in another life, and we are not -- you know, we are not putting together the kind of case that we would take to a jury necessarily. Certainly we are painstakingly acquiring whatever evidence is available. But I'm not sure that it would be appropriate or prudent for the United States to just pursue this legally, to try to, as we did with the first incident at the World Trade Center, the bombing, spend years tracking down perpetrators, bringing them back to justice.

This is much more like the bombings of our embassies in Kenya and Tanzania. This is an act of war and I think we have to respond accordingly.

WOODRUFF: Senator, finally there was an Associate Press report today quoting senior officials as saying in the final days of President Clinton's administration, your husband's administration, that there was specific intelligence about the whereabouts of Osama bin Laden, that decisions -- that it was discussed whether to take action and ultimately a decision was made not to attack.

Do you have any information about that?

CLINTON: Well, Judy, I'm not privy to all the information. I know there was intelligence about his location. There was a plan that was put into place to try to pinpoint his location. It relied, as I recall, on human intelligence assets, namely people who were on the ground providing us with information.

And my memory is that at the last minute, those assets proved unreliable and were not able to form the basis for the kind of firm footing needed for launching the sort of attack that we are considering. That's how I remember it, but as I say, I wasn't in the thick of it. But I do remember very well, we acted similarly with respect to the cruise missiles that were launched at his camps in Afghanistan based on intelligence that he would be there at time.

It was very well thought out and planned and unfortunately, for whatever reason, he turned not to be there. And I want to just add that this is part of the challenge that our current president faces. We are engaged in a battle with an adversary who lives in the shadows.

When we were bombed at Pearl Harbor we knew where the enemy was. Not only does he have his own assets but because of his considerable wealth and connections with regimes around the world, he does have his own intelligence network, people within governments and military operations who frankly, keep him apprised of what we or anyone else are interested in.

So that's one of the reasons I really support the kind of painstaking patient approach that the president is pursuing. I know there are some who think we should be able to launch an attack, press a button tonight. But that's not way this can be done. I think all Americans have to be resolute. We have to be prepared for the action that will come and very supportive of those working with the president who are putting together the pieces, as difficult as that is, to give us the basis for action.

WOODRUFF: All right. Senator **Hillary Rodham Clinton** of New York talking to us from the U.S. Capitol just a little over an hour after the Capitol had to be evacuated because of a threat. Senator, thank you very much for being with us.

CLINTON: Thank you, Judy.

"The Early Show," CBS, 9/14/2001

Early this morning, the White House and congressional leaders agreed to the final details of a \$40 billion package to help combat terrorism. Senator **Hillary Rodham Clinton** is on Capitol Hill.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Bryant.

GUMBEL: You're going to be making the trip with the president to New York later this morning. You've already been there, though, haven't you?

Sen. **CLINTON**: Yes, I have. I came up the other day with the director of Federal Emergency Management Agency, along with Senator Schumer. We toured the site with the governor and the mayor. And I'm delighted, just grateful that the president's going back this afternoon to see what I saw.

GUMBEL: Tell us about the scene you saw, not just as an official but--but as a New Yorker, as a fellow citizen.

Sen. **CLINTON**: You know, Bryant, we helicoptered from LaGuardia. And, of course, the skies were still--there was no other air traffic. We came around the tip of Manhattan and we were able to hover and look at the damage, the wreckage, the smouldering remains of the building. And--I mean, I've just never seen anything to match it at all. There were people running as we were watching because they were afraid another one of the buildings was going to collapse. You know, it was as close to what I've imagined hell would look like, as anything that I've ever heard of or seen in my own life.

GUMBEL: You met in the Oval Office with the president and, of course, you're standing with others on Capitol Hill in a show of unity behind the president.

Sen. **CLINTON**: Right.

GUMBEL: But as the president talks of retaliation, have you any degree of concerns about how broad a retaliation or how unspecif--unspecified a retaliation we're talking about?

Sen. **CLINTON**: You know, Bryant, we're engaged in a very different kind of war than we've ever had before. I have confidence in the president, the administration, our military, to come up with plans that they believe will be effective against these networks of terrorists. You know, this is not by any means something you can just snap a finger about, make an order about. This is very difficult and challenging in--in countless ways. I know that from, you know, my husband's own experience. I think we have to be patient and resolute and s--and see, you know, what the plans are and--and how they're carried out.

GUMBEL: But, Senator Torricelli was with us moments ago and was talking about using this as an opportunity to go after not just those who were involved in these strikes but any and all who've essentially ever been involved in any terrorist incidents. Is--is--is Congress, is the Senate willing to give the--the president that broad a mandate?

Sen. **CLINTON**: You know, I think most New Yorkers and certainly most Americans want us first and foremost to go after those who perpetrated this evil act and everyone who gave them safe harbor or financial assistance or any kind of support. I think we have to focus on the immediate and clear and present danger that we face as recent news accounts have demonstrated, and as I've been informed. You know, we're still making sure to round up anyone who possibly could be part of the terrorist network that aimed these attacks at the heart of our country. So I--I would put my resources and best efforts behind going after those who caused this particular attack and loss of life. And let's see what we can do there. Now if it leads to others who are involved or--and allied with them, then I think we should take a look at that.

GUMBEL: Senator Torricelli and others have talked about convening after all this is done--convening a board of inquiry to hold those accountable at CIA and NSA and FBI for what he viewed as a monumental failure of our intelligence community. Do you view it as a failure?

Sen. **CLINTON**: You know, Bryant, I'm sure that in retrospect there were steps we should have taken, measures that might have proven effective. But let's not underestimate the enemy against which we are now fighting. It is very difficult--and I think frankly, until Tuesday, it was unimaginable, the kind of measures and security precautions that we might have to live with for the foreseeable future. So I'm--I'm focused on the here and now, on getting the resources that we need in New York and supporting the administration and the work that the president is undertaking. If there is a useful purpose to be served in trying to find out what we could have done and make amends for that so that we never, ever suffer these grievous losses again, then--then I would support that in the future. But right now, let's focus on helping--try to continue the rescue and recovery efforts and, you know, provide the help and support that people who lost their family members and loved ones and their jobs and--and dev--and the devastation that we know has occurred--let's help deal with that first.

GUMBEL: Your husband, former President Clinton, was in Australia at the time of the attacks. And I know that President Bush sent a plane to secure his safe passage back home. What has he been saying about this to you?

Sen. **CLINTON**: Well, you know, he's outraged. When I reached him in Australia, he was heartbroken and angry. He supports the president. He knows many of the people personally, he's worked with many of them professionally. He has confidence in their resolve and their planning. So he's giving full support to our country in a united way. You know that he went on to visit with some of the victims and the rescue workers, just as a tangible show of support and appreciation, gratitude for the sacrifices that have been made.

GUMBEL: All right. Senator Hillarer--**Hillary Rodham Clinton**, you have a busy day ahead.

Sen. **CLINTON**: Thank you.

GUMBEL: We wish you safe travels. Always a pleasure. Thank you.

Sen. **CLINTON**: Thank you, Bryant.

GUMBEL: All right.

U.S. SENATORS CHARLES SCHUMER AND HILLARY CLINTON DELIVER DEMOCRATIC RESPONSE TO THE PRESIDENT'S WEEKLY RADIO ADDRESS, 9/15/2001

SCHUMER: Hi. I'm Senator Chuck Schumer of New York.

CLINTON: And I'm Senator **Hillary Rodham Clinton** of New York.

SCHUMER: On behalf of every New Yorker, on behalf of the 8 million people who live in this city, I want to extend our deepest gratitude to the president and the people of America who have given us their love and sorrow and grief and tears and support and prayers. In our darkest hour of need, you have shown us light.

Tonight there will be thousands of dinner tables in New York with an empty seat. There are thousands of families still waiting for that phone call, still dialing their phones endlessly, desperate to find a loved one.

In the wake of this cataclysmic event, our first thoughts go to all those who grieve. Everyone in New York knows somebody who's missing. Our hearts go out to those who are suffering. We are with them as one, from one end of this country to the other.

As New Yorkers, there is a sense that we have been violated, that some horrible person has taken something away from all of us as a city. But we will survive, and we will prevail. We are New Yorkers.

The terrorist attacks that occurred Tuesday was the 21st century Pearl Harbor. Like after Pearl Harbor, we need to be resolute in the months and years to come until we secure the unconditional surrender of the terrorists and those that harbor them. That means all of us of all races, religions, geographies and philosophies must unite. If we do unite, we will win. We will prevail over the people that hate us simply because we are free.

When I visited the rubble in New York, a woman grabbed my hand and said, "Senator, don't allow my son's death to be in vain." If we stand together united, strong and resolute, her son and the thousands of Americans who died with him will not have died in vain.

This even will never leave us the same, not as individuals, not as New Yorkers, not as Americans and not as residents of the planet Earth. But we can learn from it as we grieve. We can meet the challenge and rise to the next level of civilization. I'm confident we will.

God bless you all, and God bless America.

CLINTON: Chuck Schumer and I are deeply grateful to all Americans for the outpouring of support for New York in our hour of need. We also want to thank President Bush, Governor Pataki and Mayor Guiliani for their leadership and resolve.

We appreciate everything our colleagues in the Congress have done to ensure that we have the resources we need to search, rescue, recover and rebuild.

When terrorists struck the World Trade Center and the Pentagon, it was not simply an attack on our military and New York. It was an attack on America and our values. And we will show the world that, though buildings can crumble and innocent people sacrificed their lives, America and New York remain strong, our democracy is intact and our faith in God and in each other is secure.

Television has done a great service by keeping Americans informed during this crisis. But the horror of what has happened cannot be fully conveyed on the small screen.

When I toured the devastation in lower Manhattan this week, it was like looking through the gates of hell. Yet out of the smoky ruins, firefighters and emergency workers slowly emerged, changing shifts after 24 hours of grim, heroic work. Covered from head to toe in dirt and sweat and debris, they marched out of that rubble, dragging their axes behind them with their heads held high. Their courage and stamina serve as an inspiring and enduring reminder of the nobility of humankind, even as we struggle to cope with the evil acts of a few.

In the days ahead, our shock will yield to sadness as we cope with the enormity of our loss. We have orphans to comfort, parents who've lost their children, husbands and wives who will no longer have the comfort of the love they built, and we have a city to rebuild.

We will see to it that justice is done in full measure for what this terror has wrought. "Let us have faith, Abraham Lincoln once said, "that right makes might. And in that faith, let us to the end dare to do our duty."

The events of September 11, 2001, form a crucible out of which an even stronger nation can be forged. That is our duty, and I know that is what New Yorkers and Americans will do.

May God bless you all, and may God bless America.

END

"This Week," ABC, 9/16/2001

DONALDSON: When President Bush visited the disaster site in New York City Friday, among the officials who accompanied him was the junior senator from New York, Hillary Rodham Clinton, all traces of partisanship wiped away. Senator Clinton joins us now from our New York studios.

Welcome, Senator. Good to see you.

Senator HILLARY CLINTON (Democrat, New York): Thank you very much, Sam.

DONALDSON: It's true, isn't it? I mean, the Bushes and the Clintons have engaged in healthy, normal, political debate in this country, like so many others, and now, at the moment, that's all behind us, isn't it?

Sen. CLINTON: Well, you know, Sam, that's what's so great about our country. Now, in this moment of crisis, we're united, we're behind our president and we're moving forward together. I can't say enough about the extraordinary support that New York has received from the president, from my colleagues in Congress on both sides of the aisle. And I know that we're going to have whatever support New York needs in order to rebuild lives and rebuild our city.

DONALDSON: I ready a couple of op-ed pieces in a couple of New York newspapers suggesting that President Bush should have come earlier. I mean, do you think he should have come earlier?

Sen. CLINTON: Oh, Sam, I--I don't see any reason to engage in that kind of second-guessing. I was delighted that the president got here as soon as security and other considerations could be taken care of. We went with him to the site. I'd been there earlier on Wednesday. And when I saw him in the Oval Office on Thursday, both Senator Schumer and I were delighted that he was going and that he was going to see firsthand what we saw, because I think as anyone will tell you who's been down there, as good a job as you and all of our colleagues in journalism and especially on television have done describing what happened, you really cannot imagine what it looks like and feels like until you either fly over it or you see it, as I have.

DONALDSON: And your daughter Chelsea was, what, 12 blocks away when it happened?

Sen. CLINTON: Yeah. She was in the area, staying with friends. And both Chuck Schumer and I were spending the early moments of this disaster trying to make sure that our daughters were OK. We were lucky. They--they were. But a lot of people haven't been as fortunate. And you know, when I was at the armory yesterday visiting with families who are still hoping that their loved one will be rescued, they have their pictures in hand and the stories that they want to tell, I--I just couldn't help but feel both grateful for the fact that my daughter was all right, but having a redoubled commitment to doing everything I could to help those families that are going to have to face the reality of having lost a child or a husband or a father or a mother.

DONALDSON: It's terrible. Let's talk about American life now, though. What happens in the future from the standpoint of the question of security vs. relaxation, or giving up some of the freedoms we've enjoyed in this--in this country? How far do we go, for instance, on air--airline security?

Sen. CLINTON: Well, I think everyone recognizes we have to tighten security. We have to do whatever it takes to keep our people safe. That's...

DONALDSON: Including profiling, Senator?

Sen. **CLINTON:** Well, I think we have to do whatever it takes, Sam, and I believe that, you know, Tuesday changed everything. Tuesday was a day that America has never, ever had to experience. And I hope to heaven that we never have to again. But we are in a war situation and we're going to have to do things that people do in times of war. I just heard your interview with the mayor and I think he's right to look at examples in history like the Battle of Britain. Many of us have been studying what others did to carry on. And we know that we have to make tradeoffs in convenience, in our freedom of movement, without undercutting or losing our way of life and our values, which are really what make--make America special and great. And we can't ever let anyone undermine that.

DONALDSON: Do we get on airplanes now, and if there are people of Middle East origin--American citizens, for all we know--on that airplane, do we have a problem?

Sen. **CLINTON:** You know, Sam, yesterday at the Armory when I was talking with the relief workers and the families of missing people, I saw every kind of American. You know, one family came up, you know, holding the pictures of having lost both a son and a daughter-in-law. They were Muslim-Americans. Other families were telling me the story of, you know, their daughter who had just gotten married and would never, they thought, be with them again. Every shade of skin color, every kind of background. This was a blow at New York and at America and all we are, and we--we cannot...

DONALDSON: That--that's why I ask you, Senator about profiling...

Sen. **CLINTON:** Well, we--we can't--well...

DONALDSON: ...because you say it take--do everything it takes.

Sen. **CLINTON:** That's right.

DONALDSON: Does it take profiling?

Sen. **CLINTON:** Well, you know, I think that's going to be up to the law enforcement experts. And I think we have to be cautious, we have to be careful. But let's not go overboard and start, you know, pointing fingers at Arab-Americans, at Muslim-Americans who are just as devoted Americans as you or I are. We have to find the terrorists, no matter where they are, here at home or abroad, and we have to strike at their sources of funding and support. But we have to do so with the full knowledge that we cannot let anyone anywhere change the character of America. So, yes, we're going to take every precaution, every security measure that is required. But we're not going to let anyone undermine our way of life. And we're certainly not going to let law-abiding, decent, patriotic Americans, no matter what their religion or their background, be in some way pointed out or harassed.

DONALDSON: Before I let you go, speak to this issue of more deaths in this country, perhaps, for service personnel. One of the reasons given--and I would like you to respond to this, that your husband, when he was in office, used cruise missiles against Osama bin Laden and did not try to mount a ground operation, was a belief that the American public just wouldn't stand for casualties in our armed forces. Was that one of the reasons? And what about the future when it comes to casualties in the armed forces?

Sen. **CLINTON:** You know, Sam, as I say, I think everything changed on Tuesday. I think the American people have a much greater awareness of the enemy that we face and the sacrifices that will be necessary. I am absolutely confident that the president and his advisers will put together a plan that will take into account the great difficulty we face.

You know, I have some knowledge of what the terrain in that part of the world is like. I have a little sense of history, the successive attempts to try to conquer or invade or control Afghanistan; the most recent being by the former Soviet Union. This is an extraordinarily difficult undertaking. But we have to use any and all means that we believe will create conditions that will lead to the kind of positive outcome that we want.

DONALDSON: So...

Sen. **CLINTON**: Yes, there will be sacrifices and there will be losses, but we have to proceed in a prudent and effective manner.

DONALDSON: So, in a word, if we have to take casualties in this war against terrorism, we're just going to have to accept that.

Sen. **CLINTON**: Sam, we just took casualties in New York City. We took maybe 5,000 casualties. We took them at the Pentagon. We have already had men and women, innocent civilians, killed in this war, and we've lost some of the bravest people you could ever meet. Our firefighters, our police officers, our emergency personnel, who went in there. They were the front-line soldiers in this war against terrorism. We've already taken casualties. Now we are facing a--an implacable foe who stands against our way of life and our values. And this is a war that we have to pursue, but we have to do it in an effective and prudent manner. And it's going to take the patience of all of us. And that's why I think everyone has to support our president and all those who are attempting to find the source of this terrorism and stamp it out.

DONALDSON: Thank you very much, Senator Clinton, for being with us today.

Sen. **CLINTON**: Thank you.

DONALDSON: By the way, the official casualty figure has just gone over 5,000--5,097 missing figure is the one we're getting now.

"Face the Nation," CBS, 9/16/2001

With us now from our studios in New York, Senator Chuck Schumer and Senator **Hillary Rodham Clinton**. Senator Schumer, how long do you think it's going to take to--to get this repaired? It's just astonishing. I mean, people are talking about a new Marshall Plan to rebuild Lower Manhattan. But as I just watched Byron this morning, you realize what an enormous task this is.

Senator CHARLES SCHUMER (Democrat, New York): It is a huge, huge task. It's--there's so much. Just yesterday, I heard that many of our subway lines can't run because they were either cracked or flooded or suffered structural damage. Our electricity grid system, which is so interconnected in New York, has trouble, the telephone system, and then the rebuilding is just enormous. We have lost, Bob, 30 million square feet of office space. That's the equivalent of 150,000 job places, you know, p--pla--places for people to work. It is a huge, huge task.

The one good thing I would say, New Yorkers are amazingly resilient. The scenes that we have seen, Hillary and I have seen, as we go throughout the city are just amazing. Both the grief that is shared by everybody. I just went back to my local neighborhood yesterday. I spent some time. I found at the local school, four kids have parents missing. The local firehouse, 11 missing. Every street has somebody s--missing. But at the same time, we are so dedicated to building our city back, the city we love, the world city, the international city, and we will, but it's going to take awhile, and it's going to take a lot of money. And we're so grateful that President Bush and the Senate and House, both parties united and really are helping us 100 percent. There's been no stinting.

SCHIEFFER: And I know both of you, Senator Clinton, had your own turmoil and--and angst, because as I understand it, Senator Clinton, you did not know for several hours where Chelsea was. Senator Schumer did not know where some of his children were.

Sen. SCHUMER: That's right.

Senator HILLARY **CLINTON** (Democrat, New York): Well, that's right, Bob. You know, from the moment we heard about it, the first plane going into the tower, you know, I called Chuck, he was trying to find out where his daughters and his wife were. Of course, his wife has responsibility for transportation in the city. I knew that my daughter was staying with good friends in the city, and I was desperately trying to find her, and it took some time to track her down. She was actually quite close to where this disaster occurred.

I don't think you'll find anybody who doesn't have a personal story. And I've been so struck by how everyone is doing their best to help each other cope with what the after-effects of this disaster are here in the city. And it goes far beyond the city. We have, you know, many people who came into work from the suburbs from New Jersey, from Connecticut. We now know--and I was at the armory yesterday, visiting with the families who are still desperately looking for their lost loved ones, that this affected every single kind of person you can imagine, American citizens, citizens from all over the world.

And, you know, I--I just can't thank America enough. Chuck and I came down with the governor and the mayor and saw the disaster firsthand on Wednesday afternoon and went to a briefing where the mayor and the governor told us exactly what was happening, and we could hear with our own ears that the immensity of this requires a national response. And I'm so grateful that the president, the administration and our colleagues in Congress have responded. It's going to take a long time. Just as our war against terrorism is a long-term effort, what we need to do to help rebuild lives and rebuild our city is also a long-term commitment, and we're grateful for the help.

Sen. SCHUMER: And in fact, we heard to...

BORGER: Senator, s...

Sen. SCHUMER: I--we heard t--I heard today that in Virginia, all the newspapers had pa--full-page ads saying, 'We love New York.' That means so much to New Yorkers, and all of America has just been just wonderful to us.

BORGER: Senator Schumer, as--as New York looks towards the future and towards rebuilding, should New York rebuild the World Trade Center?

Sen. SCHUMER: Well, that's a debate that's going on right now. I think we should. I think that it doesn't have to be exactly the same way, but, you know, Gloria, it's--I look out it--I look out at the skyline from my window of my house in Brooklyn, and I feel violated looking and seeing how it has been changed by a madman on the other side of the globe and his--his henchmen. And to have nothing there, I think, would not be a good idea. So to rebuild in a way and to do it along with a memorial for those who were lost, I think that those who were lost would not want us to see that space lay vacant. And so there'll be a lot of discussion. Again, I think New Yorkers--we're known for having many opinions, but we'll come together on what will be the best thing to do, but my judgment would be we must build something grand there.

SCHIEFFER: You know, both of you, I know, went to see the president after this happened. There have been \$20 billion that people were talking about to rebuild and track down the terrorists. It's my understanding the two of you talked to the president, and almost immediately, he said, 'We'll double it.' Senator Clinton, tell us about that.

Sen. **CLINTON**: Well, Bob, when Chuck and I went to--to the briefing and realized that we needed to get relief immediately, we spoke with the governor and the mayor. They gave us a very rough estimate of about \$20 billion that was really needed as a first installment to keep the rescue and rebuilding work and the human consequences of this--we have to rebuild lives. We have people who are without jobs, as well as those who are now orphans and widows. And so the work before us is enormous. And we immediately called our colleagues, spoke with Senator Daschle, spoke with Senator Byrd and others. We know that we've got great support from the mayor and the governor, who let the White House know

that this was going to be a united front. And we're very grateful that we received the kind of bipartisan support.

And when we went to see the president, we were sitting in the Oval Office, Chuck and I, the two senators from Virginia, and the president gave us a briefing about where we were in terms of our security issues, and then we asked him for the additional \$20 billion, over and above what he needed to conduct the kind of security, military, defense issues efforts.

SCHIEFFER: Senator Clinton.

Sen. **CLINTON**: Yes.

SCHIEFFER: Hold that thought for just a moment. I have to break in and say some of our viewers are going to be leaving us now, but for many of you around the country, we continue with our expanded coverage of this story on FACE THE NATION. We'll be back with Senator Clinton, Senator Shumer--Schumer after this short break.

(Announcements)

SCHIEFFER: And welcome back now to our expanded coverage on FACE THE NATION this morning. We're going to be on the air for the next hour, as we continue to talk about this story from every angle. I want to bring you up to date on the very latest developments. Just a while ago, Secretary of State Powell said of terrorism, 'We will pull it out by its roots. We will find who is responsible.' President Bush has told the military to get ready for war. The vice president said, 'Osama bin Laden is the target of the moment.'

I want to go back now to Senator Hillary Clinton and Senator Chuck Schumer, who are in New York. Senator Clinton, before we took that break, you were telling us about going back to the White House and talking to the president about the extra aid that was needed for New--from--for New York. Tell us about what happened.

Sen. **CLINTON**: Well, Bob, as soon as we asked the president for the additional money, he said, 'You've got it.' No hesitation. It was a wonderful affirmation of our commitment to doing whatever is necessary to rebuild lives, as well as structures, on--from this terrible, evil attack. And then we worked very hard with our colleagues. And we were overwhelmingly grateful for the vote that we received in the Senate and the House. This is the kind of commitment that New York needs, and which we're receiving from literally--not the president, colleagues in Congress, but people on the streets all over America. We're getting all kinds of messages. My office is flooded with calls and e-mails from people who say, 'I've never been to New York, but I want to help. I want to know what I can do to help you.' And we are just extraordinarily grateful, and it's going to be a long-term commitment, but we know we're going to have the hearts and...

Sen. SCHUMER: Yeah, let me just...

Sen. **CLINTON**: ...hands of America behind us.

SCHIEFFER: Senator Schumer.

Sen. SCHUMER: I just wanted to just say another word about the president because he really helped us dramatically. You know, we made the pitch to him, and I said, 'Mr. President, we just need this \$20 billion.' And I thought he'd say, 'Well, let's start off with \$5 billion. It's a huge sum of money. Let's--let me--give me a list.' And instead, he just uttered three words. He said, 'You've got it.' And I stood up, and I was ready to hug him. I couldn't because he was president. But, you know, just speaking--we're part of the...

Sen. **CLINTON**: But he was rendered speechless.

Sen. SCHUMER: I was speechless. And he said, 'You're speechless?' And I said, 'For \$20 billion, I can be speechless again.' But he didn't have to do this. We're part of the blue states, you know, we're not part of his political...

SCHIEFFER: Yeah.

Sen. SCHUMER: ...sort of coalition. And the fact that he was so generous, and then late that night, when some in the Senate didn't want to do it, he stood them down and said, 'We have to do this.' It speaks for his ability to unify the nation. And Hillary and I are both just really grateful to him for his leadership and his help for New York, as we are to all of America.

SCHIEFFER: All right. Senators, thank you so much. And I would say, Senator Schumer, there were a lot of people who were ready to hug a lot of people last week. At one point at the US Capitol, I saw Trent Lott with his arm around Tom Daschle. You don't see that very often. Thank you both...

Sen. **CLINTON**: Thank you.

Sen. SCHUMER: Thank you, Bob.

SCHIEFFER: ...so much.

"Larry King Live," CNN, 9/19/2001

LARRY KING, HOST: Tonight, with the military on the move, the economy in trouble, the president prepares for an extraordinary speech. He says he owes Americans an explanation and they are going to get it! Joining us from Washington, Senator **Hillary Rodham Clinton** of New York.

Also in Washington, Her Majesty Queen Noor of Jordan. Plus, Cantor Fitzgerald CEO Howard Lutnick. His firm devastated in the World Trade Center attack.

Those guests and a lot more next on LARRY KING LIVE.

Good evening. Here are the latest headlines and latest developments. The United States deploys dozens U.S. warplanes to forward bases in the Persian Gulf region. Overseas military deployment named "Operation Infinite Justice." American Airlines plans to lay off 20,000 at least. Sources say United Airlines is cutting its workforce by 20 percent.

The president addresses Congress tomorrow night. That address will air right at this time. We will be on with a full edition of LARRY KING LIVE and guests following the address. We begin with Senator **Hillary Rodham Clinton** from our bureau in Washington. What do you expect tomorrow night?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, Larry, I'm pleased that the president will be coming up to address not just the joint session of Congress, but the entire country. We have been through a terrible week as a nation. We are still evaluating and taking stock of the impact of these horrific attacks on our people, on our land.

And I think it is important for the country to stay united, and for the president to lead us where we are going both abroad and at home. So it is a good decision. I'm looking forward to being there and continuing to support him.

KING: You were the wife of a governor when last we deployed forces going overseas in the Gulf and the MIDDLE EAST and the like. Do you remember your thoughts then and your position now?

CLINTON: You know, Larry, I remember it very clearly because I supported then President Bush. I thought it was the right decision to make for a lot of reasons we don't need to rehash. But I was very strong in my support. Now I'm obviously in a very different position.

I support this President Bush in taking the steps that are necessary to defend our country and to seek out and bring to justice those who have committed these terrorist acts and networks that support and supply them.

KING: Do you know if your husband plus former Presidents Ford, Carter and Bush Senior have been brought into an up to date on all of this?

CLINTON: Well, I can't speak for any other of the former presidents, but I know that my husband has been called, and has been given briefings, which I think is very important because we want not only to have a united front, but to really utilize the talents and the experiences of every single and every single American and obviously that includes our former presidents.

But you know, I have spent most of the last week in New York, at ground zero or as Cardinal Egan memorably said, "ground hero." And what I'm struck by is that we have had tremendous leadership from not only all levels of government, the president, in New York the governor and the mayor who have done a superb job.

We have had leadership from business executives, like the guest you will have later this evening, who has been a real tower of strength and example. And we have also had the kind of leadership that comes in the midst of a crisis, when all hell is breaking loose as it was on Tuesday.

And men and women who are firefighters, and police officers, emergency personnel, you know, instead of running from the disaster, ran toward it. And I think that there is a lot that America and I know New York can be very proud of, right now. And that should give us the kind of courage, and strength to face the future together.

KING: A lot of the nation had opinions about New York. Not many of them often favorable. And you were new to New York, got to live there, got elected as its senator. Did anything about the way New Yorkers responded surprise you?

CLINTON: No. But you know, you are a native. You know the people of New York. You know that spirit, that indomitable "in your face, we are going to do it" spirit. But you also know something that I knew, and I think the world has seen, now, and that is you are not going to find any people anywhere who are more generous of spirit, more giving, more helpful to one another, more compassionate.

We have seen all of that on display in the wake of these tragedies, and I'm so proud, because it is isn't only the people who have been on the front line, and they deserve the thanks of every free person and every one who cares about humanity. But the way New Yorkers in general have conducted themselves. I mean, we have seen this extraordinary drop in crime. It already had been driven down, well it is even lower than it was before the terrible Tuesday occurred.

I know that just today, for example, we are working to pass a commemorative stamp, "9-11 Heroes." It will be a stamp Senator Schumer and in the Senate and my colleagues Congressman Ackerman and Fossella in the House hope to get passed soon because it will give people all over the world a chance to, you know, buy a stamp depicting our heroes, and the money will go to a special fund set up and administered by our emergency agency, FEMA.

And it will be used to help defray the costs and the needs of the thousands of people who have been affected by this tragedy. You know, we have orphans and widows, and bereft people who are going to need our help for a long time to come.

KING: Do you have, Senator, any concerns about General Ashcroft's proposed legislation as it might deal with civil liberties of Americans? We remember back in World War II, and the internment of 150,000 Japanese, which the Supreme Court upheld and now we look at aghast.

CLINTON: Well I spoke with General Ashcroft yesterday. I know that there is a lot of work going on between the Justice Department, other government agencies, members of Congress. Clearly, we want to have the tools to combat terrorism effectively.

I will give you just one example. You know we have changed the way we communicate. We used to only permit the wiretaping of phones that were, we knew, in one place. Well we are mobile now. You pick up your cell phone you move. We need to change the way we try to get the information we need.

But I also believe, and I think everyone believes, that we don't want to lose what is important and essential about who we are as nation. We want to do what we are called upon to do within the Constitution. And I have every reason to believe that, you know, those concerns are being worked out even as we speak.

KING: Finally Senator, our lives will never be the same. Do you think often about the future and the like? Or are you just now solely in the present?

CLINTON: You know, Larry, everything changed a week ago Tuesday. It obviously changed in the most terrible and dramatic way for thousands of people and their families. But it changed for all of us. And I think a lot about the future, even while my days are filled with working to do everything I can to help in the present to try to bring the support and assistance that our city and state and country need.

But as I look to the future, I know there is reason for many Americans to be concerned. But I would hope that we would face this challenge with the same resolve that we have faced every other challenge in our history.

We have nothing to fear but fear itself. Wasn't that what Franklin Roosevelt reminded us, and we'll have to be more vigilant, we'll have to be alert. We have to be prudent in the steps we take, but you know, I am fundamentally a very optimistic and confident American. And I believe we will get through this. And we will be the stronger for it.

KING: One other quick thing: If legislation is proposed that could possibly keep Rudy Giuliani in office, extending that term limits, would you be for it?

CLINTON: You know, everyone -- everyone in the world, I think, agrees that he has done a superb job. And not just where one would have expected it in his determination and courage, but his compassion, his caring and concern have really shown a bright light for a lot of people in this darkness.

But I also think it is important to recognize that in a democracy, no matter how superb a person is, no matter how great a job he is doing, we have to believe in our democracy, in the rule of law. Elections are absolutely essential to how we conduct our affairs, and our country. And I would be concerned that we would upend that respect for the rule of law.

I do hope and anticipate that the mayor will work every minute of the remaining days in his term, and then be given the kind of responsibility that will enable him to keep working for the city he loves and be, frankly, enlisted the war against terrorism.

KING: Not a bad idea. Thank you, Senator. Always good seeing you.

CLINTON: Thank you so much, Larry.

KING: Senator **Hillary Rodham Clinton**, Democrat of New York. When we come back, her majesty, Queen Noor of Jordan, the wife of the late King Hussein of Jordan.

I'm Larry King. Don't go away.

(COMMERCIAL BREAK)

REMARKS BY SENATOR HILLARY RODHAM CLINTON (D-NY), 9/19/2001

TOPIC: HELP FOR FAMILIES OF WORLD TRADE CENTER ATTACK VICTIMS

LOCATION: NEW YORK CITY FAMILY CENTER, PIER 94, NEW YORK, NEW YORK

(Note: This event was fed in progress.)

SEN. **CLINTON:** (In progress) -- the Family Center from the Armory here in just breakneck speed, and it's a really well-equipped facility. It's a place where families can come and get not only information but help.

We're now moving into the stage where, you know, bills are coming due; mortgages, rents have to be paid. A lot of people have lost their incomes, their only breadwinners, their jobs. And I just can't say enough about this woman and the incredible people inside.

And there are people from all over the country. You know, we've got the most extraordinary outpouring of support -- people who dropped their jobs, people who are part of the Red Cross, who answer the call to a terrible disaster like this. And once again, I mean, the city is setting an example. Rosemary was just telling me that we've got folks coming from all over the world just to see how we're running this, because it's an incredible display of know-how and can-do spirit with great leadership, starting with the mayor.

And if you've got any questions, you know -- Rosemary, you want to say something?

ROSEMARY : We're in readiness for reality. We are still a bit numb, but the families are getting ready for the acceptance of what we're facing. They're still coming for services in mental -- with mental health professionals, but our new registration of cases, as you could well imagine, is really down. Yesterday it was only 25. Today we have just a handful coming and registering. Last night we did special outreach in the different communities to remind people how important it is.

But I think the reality and the time for acceptance is here, and we are changing some of the format inside to be prepared for that. The intake area will be reduced, and the mental health professionals, with the Red Cross and the Department of Health and all of those expert in that field, will be stepping up to be prepared for any questions any time, anything that people need to take care of.

Thank you.

Q A lot of people are turning to Mayor Giuliani for support and strength right now. How do you think he's doing?

SEN. **CLINTON:** Oh, I think the mayor's been superb in every way, and I've said that on every occasion that I could, publicly, privately, because his leadership has summoned the spirit of this city, as well as our nation and literally, I think, the entire world. And the people that he has on the front lines, people like Rosemary, are an extension of that kind of leadership.

The governor has been terrific, giving us everything we possibly could need here in the city. And I want to thank the president, who came through for us when Senator Schumer and I asked for the money that we needed, the extra \$20 billion. You know, this -- we have to pay for all of the rescue and recovery and reconstruction and rebuilding, and the president's been a great help to us.

Tomorrow I will be bringing a very large group of bipartisan senators from all over the country to come here, to see for themselves, because one of the points that I've tried to make is that as good a job as all of you have done -- and you've done a superb job, and I

want to thank television, radio, newspapers, everyone -- you cannot really grasp the full extent of this devastation and the extraordinary scope of this disaster until you see it.

So everybody has been great, and I think the mayor deserves not only our appreciation and our thanks, but, you know, real gratitude for the courage, the compassion, the concern, the strength that he has given to all of us.

Q Senator, you described for us the logistics here and how it's all working, but what did you say to the family members to offer them comfort?

SEN. **CLINTON:** You know, we -- my husband, as you know, and daughter are here. We spent a lot of time talking to the people working there, the volunteers and professionals who are assigned there or who have just dropped everything to be here to help. The families that I spoke to are moving, as Rosemary said, to a state of accepting the worst. We looked for a long time at the wall that has been put up. At the Armory there was a wall of messages and photos, and it sprang up overnight -- right here, too. So we still have the wall at the Armory, and we now have a wall of, you know, faces and sayings and messages from mothers and fathers and sisters and brothers and children. You know, words are hardly adequate to what the families are looking for; I know that -- but you know, words of comfort, words of support.

And what is especially important about what's going on inside now is that we're offering the kind of assistance that families need to be able to get on with their lives. You know, the practical, everyday requirements of living have to go on. I mean, one of the strongest messages that we hope everyone has received is, we must go on. We have to demonstrate that our lives -- our way of life continues; that yes, we have suffered grievous losses, and we have to stand with our families, but we have to get about the business of moving forward. And that's true even for these families who have suffered, you know, the worst that anyone could.

Thank you. Thank you. Thank you very much.

END

U.S. SENATORS WARNER (R-VA) AND CLINTON (D-NY) HOLD MEDIA AVAILABILITY, 9/19/2001

WARNER: Ladies and gentlemen, I have been on the site almost every day since the tragic accident against this building and against America. And today I'm honored to have a very valued colleague with me, my fellow Senator from New York.

Because of the catastrophes in both of our states, she and I have been working together as a team on a broad range of issues. I had the privilege of visiting privately with the president of the United States a day or so after this incident. And today, I'm deeply honored on behalf of all Virginians and all the men and women of the armed forces, and particularly those who are in that building, to have her here today.

So Senator, thank you for coming.

CLINTON: Thank you, Senator.

And Senator Warner just said, he and I have been working closely together since last Tuesday when disaster struck New York and struck the Pentagon here in Virginia. I wanted to come and convey my respects and the respects of the people of New York to those who labor in the Pentagon and in our military and those who lost their lives in this terrible attack on everything we care about.

I also wanted to thank the rescue workers, the volunteers and others who have been on the site. I know from my many visits to the site in New York and to the facilities where we're supporting the families and the rescue workers that this is one of the most challenging tasks any human being could undertake, and everyone does it with such courage and commitment. We almost have to make them leave the site, because they work themselves to exhaustion.

CLINTON: But as many of us have said from the very beginning, when we were attacked in New York and at the Pentagon, this was an attack on America. And it will engender not only a swift and strong American response, but it has also generated the American spirit in ways that every one of us can be proud of, and that has sent a signal to the entire world about what we're made of.

So Senator, thank you for being here. Immediately after the attack, I know you were in the command center. I know you've been working side-by-side with both our military officials, as well as the administration and our colleagues in the Senate. And I appreciate very much what you have done and what your leadership has meant.

WARNER: We thank you, Senator. And as we walked through down there, Senator Clinton took special time to meet and greet the volunteers, the professionals from the Red Cross to the firefighters. And she remarked that here in New York and here in Virginia, we have a band of brothers and sisters who have united with the same one spirit. We're Americans and don't tread on me.

CLINTON: That's exactly right.

QUESTION: Senator Clinton, after visiting both sites, can you tell us how this has affected you personally?

CLINTON: Well, I was stunned and overwhelmed by what I saw when I went to New York on Wednesday afternoon. I had, like so many Americans, stayed up literally all night Tuesday watching the coverage that so many of you have provided to us.

CLINTON: But I wasn't prepared. As good a job as you've done, the television screen contains and shrinks the depth of devastation, the scope of the destruction. And as I was helicoptering over the site preparing to land to go visit it, I saw people running because another building was about to collapse.

I've been to the site three times. Tomorrow we're taking a large group, a bipartisan group of senators up to see what I've seen, to share ideas about what we're going to do.

It's been one of the most emotionally wrenching times of my life. But it's also been an extraordinary celebration of the human spirit. You know, when I was standing there that first Wednesday and everything was just in such a state of chaos and you were at the gates of hell, it seemed, there were men and women who were not walking away from the destruction, but walking toward it.

You know, we lost more than 300 firefighters. We lost close to 100 police and port authority law enforcement officials, emergency rescue workers -- people who were there because they came to serve, and their courage kept them going when human nature would have said turn around and run. Those are the people that I think about.

You know, we call the site ground zero, but it really ought to be called ground hero. And that is the same as what I see here, people who are engaged in the heroic tasks of trying to put us back together, physically and emotionally.

CLINTON: It's an extraordinary experience. And I'm very proud of everybody in New York, and proud of what I see here.

WARNER: We thank you very much, and I would just conclude by saying, having been with the senator and having served 23 years in the Senate, you've become a senior senator very quickly, and you are a tower of strength.

CLINTON: Thank you, Senator.

WARNER: Good luck. You've served American constituents well.

CLINTON: Thank you, Senator. Thank you.

END

"CNN Live This Morning," CNN, 9/21/2001

PAULA ZAHN, CNN ANCHOR: Now we want to turn our attention to Senator Hillary Clinton, who joins us from Washington D.C. this morning.

Good to see you. I know you got delayed. We appreciate your dropping by after such a busy schedule this morning.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you. And Paula, thank you for all of your coverage. I've seen a lot of, and I think you've done a great job. And I know you weren't expecting to start so soon, but it's really meant a lot to a lot of people.

ZAHN: Well I appreciate that.

I wanted to get your reaction to a report from Steve Harrigan who just filed a story from northern Afghanistan. And he said that the Northern Alliance leaders he has spoken with have confirmed they were able to gain control of some 200 Taliban fighters along with the help of some U.S. intelligence. Does that suggest to you that the timetable for any sort of military action is being moved up?

CLINTON: Well Paula, I think it suggests to me that the planning and the very careful preparation that the president and his advisers have undertaken since September 11 is beginning to pay off.

I don't know all of the details. Certainly, this sounds like very good news, because we know that in order to be effective against these terrorist networks we're going to have to have allies. Allies who speak the language, who know the terrain and who are able to help guide the kind of response that we heard the president so strongly speak about last night.

ZAHN: One of your former colleagues, former Senator Bob Kerrey, said last night that the United States should hunt down and kill Osama bin Laden. Do you agree with him?

CLINTON: You know, Paula, we have to do what is necessary, and I thought one of the very strongest lines in the president's speech last night is that we would bring our enemies to justice or bring justice to our enemies. I think that's a line that will be memorable and stand alongside so many of the other very important lines of speech and resolve that presidents in the past have given us at times of great need.

I think we have to do what is necessary and what is appropriate. I, certainly, have the greatest regard for my friend Bob Kerrey, who knows of what he speaks. I don't know that it would be possible to capture someone alive with the kind of fanatical beliefs that these people, including bin Laden, seem to possess.

So the important thing is to end the terrorist networks. We heard that very strongly from the president last night. That's what I think we're going to do.

ZAHN: Your husband targeted Osama bin Laden's organization in 1998, with an attack in Afghanistan, and some would say that attack certainly disrupted his operations, but it certainly didn't isolate Osama bin Laden. What lesson should President Bush learn from that?

CLINTON: I think we have all learned. We had some successes. We did capture the '93 World Trade Center bombers. We did hold them accountable. They are serving jail terms. We rolled up some of the networks. We were able to disrupt the operations. But we never had either the sense of absolute urgency, nor the international support that we now find rallying behind the president and our country.

So we've learned a lot. And I think that going forward, we're going to be much more effective in this struggle against terrorism.

ZAHN: But do you think President Bush has learned the lesson just how elusive a man Osama bin Laden is?

CLINTON: Well, I think all of us have. Certainly, the president and many of his advisers have followed this, are aware of how difficult this will be. We heard that from his very strong remarks last night. You know, we know that we're in for a different kind of war. Some people don't even like to use that phrase because it seems somehow not descriptive of what we're up against. We don't know exactly where the target is. We don't know exactly what resources we have to cut off, because it's not a state that is running and has power plans and other kinds of resources.

But I think it's an applicable term because we have to have the same mentality. Clearly, we are fighting in the shadows. We're fighting in ways that America's never been called on before.

But I feel totally confident in the outcome. I thought the president's very strong words made it clear that we will see this through.

ZAHN: How many American lives, though, might be lost in the process?

CLINTON: Paula, no one knows that. We have the best-prepared military, not only in the world, but I think in the history of the world. I know a lot of the men and women who not only lead it, but serve. It is an all-volunteer force, as you know. People join because of patriotism and desire to serve their country in this way. But they know when they sign up that there are risks.

I went into Bosnia after the Dayton Peace Accords. I have been on the DMZ. I have travelled all over the world. I have been privileged to meet the men and women who wear our uniform. There isn't a better prepared group of human beings anywhere.

But they are realistic. They know when they are called upon by their commander-in-chief, they have to respond, and they do so willingly -- and I think we will see the results in the weeks ahead.

ZAHN: Before we move on to the task at hand in New York City, just one last question for you on the political front. To what extent is the former president, your husband, being consulted as military actions as military action is planned?

CLINTON: Well, you would really have to ask him directly.

ZAHN: I would love to. He won't return my phone calls.

CLINTON: Well, I will tell him that you are calling for him.

ZAHN: Is there anything you can tell us about any briefings he might have gotten?

CLINTON: I know that has spoken with people, but I don't feel it is appropriate for me to answer that question.

ZAHN: OK, we will keep on burning those phone lines to the former president.

Let's go to the delegation's trip to New York City yesterday. Clearly, your colleagues had seen the aerials of the zone, some of the closeup pictures of what is now being called the pile. What was their overwhelming reaction to seeing the site in person for the first time?

CLINTON: Well, you know, Paula, it was, as mine has been every time I have been down there, it is so emotionally draining and exhausting. At least, for me. I was down there again in the pouring rain, my colleagues were just dumbstruck. They were overwhelmed by what they saw. Even though they followed it avidly -- they certainly watched the television and read everything they could -- they weren't prepared for this massive destruction that we viewed. And many of them thanked me and my colleague, Senator Schumer, for urging them to come. I made a lot of phone calls, asking people personally to come and see what happened in the heart of our country, in New York City.

And it was a draining, difficult day. I got back on the train after we went to New Jersey, to visit with people who have heroically rallied to help on the site and to provide housing in those first hours after the crisis, sending their own police and fire across the river. I think all of us were just worn out, emotionally drained. And many have come up to me again today, and told me they could not have imagined it, unless they saw it for themselves.

ZAHN: But unfortunately, in New York City, you not only have people dealing with the trauma that has been dealt them and their families, you now this ripple effect in the economy, with hotels, in some cases, being almost empty. I know the mayor, while you were in transit this morning, was encouraging people to come to New York City and spend, spend, spend. What are your concerns about the economy?

CLINTON: I think we all share the concern that, number one, we have suffered some real economic damage. We've lost some of our ability to generate jobs, and people have been rendered without incomes. We have suffered a direct economic impact from this.

But the ripple effect is especially troubling. I just came from a meeting where we discussed what we were going to do to try to encourage people to start flying again. We are going to beef up security. We are going to provide some help to the airlines because that will have a very positive effect on tourism, on rental cars, on so many of the businesses that rely upon our normal everyday travel.

It is going to take us awhile to work our way through this. But, you know, our economy is to big. It is so strong. We just have to do what the president said last night: rebuild New York, tend to the normal everyday business that each of us has to now get back to doing, start living our lives.

We can't let these terrible attacks render us a fearful nation. And fearful people cannot defeat a very resolute enemy. We need that American confidence and optimism, and that includes getting out again; traveling again; being with our family, our friends, our loved ones. If we do that, we are going to get out of this economic difficulty faster than if we basically withdraw from the normal everyday life we should be leading.

ZAHN: As always, Senator Clinton, great to see you, and we really appreciate your dropping by, because we know just about every single minute of your day is micromanaged. Again, thanks for your perspective this morning.

CLINTON: Thank you, Paula.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON PSYCHOLOGICAL TRAUMA OF TERRORIST ATTACKS, 9/26/2001

CLINTON: I want to thank you, Mr. Chairman. I want to thank you for coming to New York last week. I want to thank our colleagues, Senator Frist and Senator Wellstone, and so many others as well for your firsthand, personal concern which has meant a great deal to the people of New York.

And I particularly want to thank our witnesses today, Dr. Kelly and Dr. Pfeffer and Dr. Eth, who are here with us from New York. They've taken time out from their extremely demanding and difficult work to give us some insights and recommendations on what we need to do to help you help the countless grieving survivors and family members that you're dealing with on a daily basis.

I know that the mental health needs are just overwhelming, and we have had an outpouring of professionals and volunteers. But I think it's important for us to hear today about what lies ahead.

CLINTON: In the immediate aftermath -- we've never had anything like this -- but in the immediate aftermath of many of the tragedies we've suffered as a nation, we provide the help that we can muster. But this is a long-term commitment that we have to make, and we don't have the numbers of trained people available and ready that we need.

I know that Dr. Kelly, who comes from a family of firefighters, has experienced the full impact of this disaster. And I appreciate greatly your being here, Dr. Kelly, and for your service and for your family's service.

Dr. Pfeffer has taken up the heart-wrenching challenge of addressing the needs of children, particularly those who have lost a loved one, and especially those who have been orphaned. We don't have a final count, but we have many orphans, the children of single parents who were lost and even two-parent families where both were lost.

Dr. Eth, who's been working on the front lines at Saint Vincent's, has been seeing -- the best numbers I have -- something like 7,000 patients with mental health needs at Saint Vincent's alone since this disaster occurred. So we are especially grateful that you would come and share your experience and your insights and your recommendations with us.

And I thank the chairman for holding this hearing and giving us a chance to know what we need to do immediately and over the long term to try to address the extraordinary toll of human suffering out of this disaster here, the attack on the Pentagon, the loss of the plane in Pennsylvania, and to be better prepared to take care of people in the future.

Thank you.

[GAP -- FROM LATER IN HEARING]

CLINTON: No, go ahead.

WELLSTONE: ... you've been here patiently waiting, and you've done such, I think, heroic work on this. I mean, I really believe that, both you and Senator Schumer.

I was saying to Senator Kennedy that one of the -- I don't know if irony is the right word, but one of the challenges here is the more we start to talk about bio-terrorist attacks, the more the anxiety is created, and how you then deal with that, as I heard Dr. Eth respond to the senator from Tennessee.

Dr. Eth, I'm going to start out with three quick questions to all of you, and I'll do it quickly. I wrote this down. You said something like, you know, never before have the gaps between, I suppose, what we know and what we do (OFF-MIKE).

And I wanted to ask you and others, as we try to figure out how to best respond, whether you could just comment on the adequacy or inadequacy of both the private health insurance and the public mental health care systems in being able to respond to September 11th, and for that matter, in being able to respond to people who have trouble with these problems in general. I mean, it's a big question, but it might give us some sense of really what we're faced with now.

ETH: If I can, Senator Wellstone, try to respond to the first part of your question with regard to gaps, there are gaps in our scientific knowledge. There are also gaps in the training of clinicians, because, thankfully, we are not -- most therapists don't often deal with disaster situations. It's not part of their skill set, and so we need to implement a training program to bring all of the therapists up to speed in those specific techniques that are most useful for this kind of situation.

There's also gaps in our capability to respond to post traumatic stress disorder. There was a SAMPSA (ph) initiative to fund child PTSD centers, and that initiative has gone forward. This would be a wonderful time to expand that program so that we can develop an infrastructure in the United States of trained people and centers to deliver the specialized care and move the field forward in post traumatic stress disorder and especially in childhood PTSD.

PFEFFER: I also would like to add to what Dr. Eth said -- and I wholeheartedly agree -- but to add also an area that has not been well looked at and studied and understood, and that's the area of traumatic grief and grief, especially in children. This will have a major impact on thousands of children, and it has a major impact on thousands and thousands of children worldwide. And, truly, there are meager amounts of information about that, and I think that it's a very critical issue, especially with this event.

KELLY: The gaps in the system are very large. Not only do we have a system whose resources are strained for existing mental health, but people with serious mental illness may have themselves greater need for services, and then we have more people with mental illness who will need services. But in order for us to make the best interventions, I think we need more research to help us better understand how to do those interventions, and this research is directly applicable to what we can do.

WELLSTONE: You know, as you look at the people that are, you know -- have been right there...

KELLY: Again, I think the good news is that the pre-morbid resilience of our members is very high, and, again, these are a special group of people, and their families are very special. And I think if we can intervene and provide a support system now, we can prevent some of the long-term consequences which, you know, the others have mentioned on the panel, and then also identify the people who need additional help so that we can get them into the proper psychiatric or support system that they need so that their needs will be taken into account.

WELLSTONE: I'll finish with this. Listening to you, Dr. Kelly, it just occurs to me, Senator Kennedy and Senator Clinton -- and I'm just thinking out loud -- but in some kind of way, it's really a (OFF- MIKE) and some people get really -- if you label everything mental health, people kind of feel like that's not me and I want to stay away from that.

In some ways, what you're saying is there are a lot of people that are going to get through this, but they're going to need some help, just like anybody would. And we don't need to, like, identify it as an illness, but we're just saying, look, people have had to struggle with this. They've lost their loved ones. They've been there. We ought to figure out a way to

have some support for those, however we put it, which is, I think, part of what we're talking about.

On the other hand, having done a heck of a lot of work, especially with a lot of Vietnam vets who struggle with PTSD, I know what that's about. I've learned about that, and that's for real, and so is depression, and so is a lot of other things that you all have talked about. So there's a continuum there, and that's where I think we've got to figure out how to plug these gaps, and I think we can do a lot better in the private sector, and, obviously, we're going to have to have the public sector.

Can I just say one thing, and then I'll let you get the final word, Dr. Eth. One thing that occurs to me -- I don't say this to all my colleagues, but I really -- I guess today at this hearing, to the extent that we got a chance to communicate this, Senator Frist was talking about the secretary of health and human services, and I really want to urge him -- this is such a big challenge, and I know he's up to it.

And I also want to -- I think that the surgeon general can play a really critical role here. David Satcher has done some marvelous work in this area, and I would just like to encourage the surgeon general and the head of NIH to be willing to speak out on this. I mean, (OFF- MIKE) is true, but I also think we don't want to get back into the problem of sort of saying, well, all these mental health services -- that's not really the case, that's not really that important, because it is really important, and I think having the surgeon general out there could be terribly important right now along with the head of NIH.

ETH: Senator Wellstone, you mentioned Vietnam vets, and I worked at a VA medical center for 12 years, and it was the only place I know of where there was true parity, where Vietnam vets with PTSD were treated with as much care as they needed alongside of physically injured Vietnam vets. Nowhere else in our country and in no other system can somebody who has developed a psychiatric problem after this disaster be treated comparably to somebody who's been physically injured. I don't know of any insurance program that would allow that, and that, too, is a tragedy.

WELLSTONE: I believe we're going to make that happen.

ETH: Thank you.

KENNEDY: Senator Clinton?

CLINTON: Thank you, Mr. Chairman, and I would certainly offer any help in following up on Senator Warner's very wise and generous offer that we try to move quickly with the needs that we're hearing about this morning, do whatever we can to catalog those, and include them in the defense authorization bill as it's going forward, and then look for the sufficient appropriations to deal with them.

I appreciate greatly the witnesses helping us think through the gaps, and I hope as you reflect back on these hearings and as you go forward with your own particular responsibilities, you'll let us know as soon as you can of additional gaps that you see. One particular gap that I'm concerned about is the fact that we have many uninsured disaster victims.

We have people who were working at the site who never had insurance, a lot of the low income workers that we're now hearing about who didn't have insurance connected with their jobs or very limited insurance, if any. We have others who are insured, but whose limits for mental health coverage are insignificant to the task that they and their families face.

So I know that New York State and New York City have asked the administration for the flexibility to enroll disaster victims and families into Medicaid and CHIP without the usual burdens or income regulations. And I think, Mr. Chairman, that the state and city's request

to be able to open up Medicaid and CHIP at this time is something we also ought to look at and move whatever waivers are necessary as quickly as possible with Secretary Thompson.

I also am hoping that we have a specific response for our firefighters and our emergency workers. And, Dr. Kelly, I've spoken with Commission Van Essen (ph) about the needs that you're going to be facing, and one of the hallmarks of the firefighter family is that in the past, much of the work, the counseling, and support has come from within that family, and the resources are clearly not there, given the magnitude of the disaster.

So one of the ways that I hope we can be helpful is to provide you and the leadership of the department with resources that you can integrate into your already existing services so that there is that, as much as possible, continuity of caring and concern that has been a real characteristic of what you've done in the past. But we'll need your guidance on that, and whatever resources that you need, if you can help us identify them, then we can try through FEMA and other agencies to get those to you as soon as possible.

I also am concerned about the impact on our hospitals, Dr. Eth. I know that Saint Vincent's and others were ready and on the front lines, and we need to know specifically what additional resources you will require going forward, because one of the points that has been made this morning is how providing that counseling and support in the proximity, where people are, where they're used to coming, is a benefit that has psychological implications. And so what we need to do to back up Saint Vincent's is something that I hope you'll let us know. We're asking the other hospitals, and, clearly, everyone is trying to identify those needs.

With respect to the schools, I want to thank Dr. Pfeiffer and her colleagues for really being there for the teachers and the students and the parents. I visited PS3, and they've taken in PS150 and 89, and on the surface, they're really performing magnificently. The work that was done with respect to the evacuations was nearly miraculous with not a child lost or injured.

But I spent some time talking to the children, the elementary school children, and they just need to talk, and they need people to listen to them. And, you know, one little girl said she was so glad that her mother was home, because her mother was a flight attendant. Another little boy talked about how their family had a really good friend who was a firefighter who had been lost.

And the teachers need more help so that these kids can just talk, and I think that's something we have to look at very closely. Chancellor (ph) Levy (ph) has been working with Secretary Paige, and the Department of Education has been tremendous in providing us additional funding.

So I think, Mr. Chairman, that we should, on kind of a crash basis, in a way, try to come up with a list of needs that we've heard about -- and Senator Warner certainly mentioned those in Virginia as well -- so that we can try to come up with whatever amendment, authorization, appropriation language that we need as soon as possible. And, certainly, I know the city and the state stand ready to help get that done.

I want to again thank the witnesses very much for sharing their personal experiences as well as their professional recommendations.

KENNEDY: Thank you very much. We will follow up that excellent recommendation.

The hearing, I believe, has clarified a number of the issues and laid out a very clear responsibility for Congress and the administration. There's a consensus among our experts that large numbers of people, particularly children, are at risk for serious disabling psychiatric illness as the result of the terrorist attacks. And it's clear that treatments can be effective, but providing the victims of the silent scourge with help they need and deserve will strain the nation's mental health system to the limit.

Preparation for future attacks is also a critical need. A significant part of the disaster relief funds that will be provided to states and localities should be allocated to both short-term and long-term mental health services. These services should include not only the treatment, but assuring that people who need treatment are able to obtain it. Private insurers can do their part by assuring appropriate services without artificial limits.

Training funds are also needed to see that mental health professionals have the special knowledge to treat disaster victims, and those likely to have contact with people suffering serious symptoms will encourage them to seek treatment. Schools and parents, in particular, need to understand what symptoms they should watch for. State and local mental health authorities outside the areas most immediately affected also need assistance to plan and coordinate for the future.

Preparation for possible future disasters is especially important. Every state and locality should have a specific plan to deal with mental health needs after future attacks. Every school system needs a plan as well, and we need programs to inform parents and the general public promptly about responses to psychological impacts of future disasters.

Parents, teachers, and day care workers need information on how to talk to the children about these terrible events. As Senator Clinton has pointed out, we need a substantial increase in the number of people trained to provide necessary services.

So these services can only be provided at the local level, but this is a national struggle and demands national leadership. The federal government has a critical role in supporting and developing appropriate responses, and I intend to work with my colleagues in Congress to make sure that we do our part.

We will be calling on this panel for the recommendations to help us develop the proposal for next week and also for your recommendations in terms of the programs to deal with this problem in the time ahead. And this will be a continuing and ongoing involvement, and we hope that you'll feel free to contact our committee with any additional recommendations or suggestions that you've had from this morning that we haven't been able to reach.

We have just been notified by the Senate floor that there's a vote in progress, so we will recess the hearing with our gratitude and thanks to all of our panelists.

Thank you very much.

END

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON THE ECONOMY IN THE AFTERMATH OF THE SEPTEMBER 11TH ATTACKS, 10/2/2001

CLINTON: Thank you, Mr. Chairman. One of the challenges that I think we face is the new required assessment that we're undergoing that is, I guess, loosely referred to as homeland defense or homeland security. I don't believe we yet know what the costs will be. We've never faced anything quite like this. There's a very long list of concerns that need to be addressed, whether it's protecting our water and food supplies, protecting our pipelines, protecting our energy infrastructure, protecting our transportation infrastructure.

There's a very long list that I think rightly will demand our attention. And in some respects it's going to be a -- it will be a long-term commitment, but I believe infrastructure spending

will have to go up. I don't see any way around it if we're going to be able to protect the American public to the extent we all want.

And this is probably an unfair question to ask you, because I'm reminded by Senator Domenici's comment -- you're on that side of the table and we're on this side of the table. But what is the impact of infrastructure spending in terms of its stimulative effects and the speed at which it can be delivered compared to simply tax-cutting stimulus? Is there any research or opinion that you could share with us on that?

BAILY: Well, I think you can get a tax cut out there more quickly. I guess the simple wisdom is that spending has a slightly bigger effect, because as each dollar gets out there right away, that's GDP right away and then it has some multiplier effect after that. Whereas, a tax cut, not all of it gets spent.

So I think that was behind Chairman Conrad's view that maybe some of the stimulus should be geared towards the spending side. But as I said, the offsetting there is to make sure that the money's well spent and you can spend it quickly. And I think that's a little bit harder. Now, in this particular case, there may be a lot of things that we know that we have to do, that we have to go out and do to improve our security, and so that may again affect the decision we make.

KRUEGER: Well, I would also just say I would draw the distinction between security and infrastructure spending designed to try to improve economic growth in the future. For example, I do think that we have a big need in this country to spend more on schools. As much as I feel that need, I don't think that that is the answer to the current crisis. And especially when one thinks about construction. I think there is going to be a lot of construction, especially in the Northeast, and I think one concern I would have about certain types of infrastructure projects would be that they might lead to imbalances. It might delay construction in some areas, for example. So I would just add that.

CLINTON: One thing that would be helpful, because we're reading a lot in the press today about the Japanese experience with deflation, and I know we don't have the time left to really go into this in any depth, but could you briefly describe, first of all, what are the structural problems that they have been coping with for a decade without any real success, best we can tell? And what is it that's different about our experience and their experience so that the fear that some economists are expressing that we may be going into an entirely different economic situation, closer to deflation, closer to the Japanese experience, which would require different kinds of responses than what we're talking about if we think we're in a short-term slowdown or recession, that we can work our way out of and get back into positive growth? I mean how should we think about that?

BAILY: I believe we're in a very different situation than Japan. There is a similarity in that there is a wealth effect and so the decline in the stock market and to the extent that that affects housing wealth too, that is going to affect people's wealth and going to make them a bit more reluctant to spend. So we are seeing that in the U.S. economy, and that certainly was part of the Japanese experience. And the loss of stock market wealth in Japan is much greater than anything we've seen here and I hope we don't see that value. And they also had a collapse of the real estate market.

Now beyond there, I think there are huge differences. First of all, they've never really tackled their financial institutions, and they continue to have problems with their financial institutions. I think many of their financial institutions are sort of on the verge of collapse, and they've never been able to face up to the bad loan problems, to deal with it, to try to close down some of the banks that needed to be closed down and to restore confidence in the financial sector.

Secondly, their labor market is much less flexible than the U.S., so there's -- Americans are used to changing jobs, and it's not great to lose your job, but in the U.S. people, in some

sense -- the institutions are there, people move, people find new jobs. There's much more rigidity in the Japanese labor market.

Their investment decisions traditionally were not made on the basis of profitability. They sort of expanded capacity without looking adequately at profitability. Their industries -- we know their sort of strong competitive industries, the ones that we compete with, like autos and machine tools. But much of their economy was not very competitive and, again, rather rigid. They have a rigid. They have a rigid set of regulations, local regulations .

So I would be reassuring in the sense of saying I think our economy is much better able to handle this kind of shock than is Japan's. There's a little bit of similarity but not that much.

KRUEGER: I would concur completely. I would also add to what Martin said. I think a number of the Japanese problems are microeconomic in nature. They just have a very different setup to their economy, and I think that makes it much less dynamic, much less able to adjust to new circumstances.

And another big difference, I believe, is that the age structure is different. The Japanese population is older than the American population. They don't have very much of a pension system. And when interest rates drop people there seem to save quite a bit more. It doesn't seem to stimulate spending. So I think we're in a different situation.

Japan serves as a reminder that capitalist economies don't always grow and grow, but I wouldn't go very far with the parallel.

CLINTON: So you would not agree with those who suggest that the drop-off in consumer confidence and the underlying drop-off in demand that we've started seeing a year or so ago and in an accelerated way recently is not any structural problem or it doesn't reflect a structural problem in the economy?

KRUEGER: I would say, actually, what's quite remarkable is that consumer demand didn't drop off more in the U.S. in the last year. And I do think that consumer demand is a major concern, the major concern now, and I would think about elements of the stimulus package as addressing -- trying to address consumer jitters -- how do we restore confidence? But I don't think that we have a structural problem in terms of consumer demand.

CLINTON: Is there any economic theory or experience which suggests, and I know this kind of runs counter to all of the economic theory that I'm aware of, but that at some point there's a saturation that demand just hits a wall, that people just can't keep buying, they can't keep going out there, because for whatever reasons, on a personal or social level, it's just not attractive to them anymore? Is there any...

BAILY: I don't think so, in general, but I think the thing that we did see, we had such a strong boom that both on the investment side as well as on the consumer side there was a sense in which we were kind of overspent. And so some of this downturn that we've seen was a reaction to the fact that we had bought as many computers as we could possibly use and that we bought as many SUVs as we could drive, and we were in for a correction.

I don't actually think there's a saturation point. I think Americans know how to spend. That's one thing we know how to do. And I think once we've sort of worked our way out of this downturn, we'll get back. So I don't see it as a long-term structural problem

Can I also clarify, if you'll give me 10 seconds, I made a comment earlier about sometimes I think the consumer confidence is overrated as an indicator. And what I meant by that it's not that I don't think consumer confidence is important; it's very important. But we measure it through a couple of surveys -- the Conference Board and the Michigan Survey -- and those give us a window into consumer confidence. I don't think they're 100 percent reliable as to what consumers are actually going to do.

CONRAD: Very well. I'd like to, just before we end, ask you about something that Secretary Benson told me when he was secretary of the Treasury in the Clinton administration. He

told me that -- we had lunch one day down at the Treasury, and he told me that they had done a calculation at the time, and he indicated that for every 1 percent reduction in interest rates, that took a debt load off the economy of roughly \$20 billion. Have you ever made a calculation like that or been aware of a calculation done like that?

The point that he was making to me is that the importance of fiscal responsibility to the functioning of the economy. And to the extent that you maintain fiscal responsibility and lower interest rates, you actually give more lift to the economy than almost any tax cut than anybody is talking about, because in effect that is a tax cut -- has the stimulative effect of a tax cut. Have any of you ever done a calculation like that or does it sound reasonable to you that a 1 percent difference in interest rates would mean that much in terms of less of a debt load on the economy?

BAILY: I think it is reasonable. I mean I -- we would talk -- when I was in the administration, we certainly would talk about those calculations. And if you basically look at the size of the debt and how much interest is paid and then you see how much a reduction in interest rate would do for you in terms of lowering the debt burden, that's the kind of number you come out with. So I think that's right.

Now, just honesty compels me to point out that I'm a big believer in fiscal discipline, but lower interest rates do cut two ways. There are people in our economy that receive interest.

CONRAD: Right.

BAILY: A lot of older people who are living on...

CONRAD: So there's a cross-cutting effect there.

BAILY: There is a cross-cutting effect there.

CONRAD: But on balance, that lifting of debt burden...

BAILY: On balance, I think it's a positive, yes.

CONRAD: Dr. Krueger?

KRUEGER: I would just add there's certainly mechanical help that the budget has because of lower interest payments in the future. I suspect, however, that the big boost that we got from lower interest rates in the early '90s would not be the same today. Some of that came from consumer refinancing of mortgages. A lot of that's taken place already. We were also starting from higher interest rates than where we are currently, so I would suspect that the number is probably smaller today.

CLINTON: Mr. Chairman, could I just ask one other sort of speculative question? I support the chairman's continuing concern about fiscal responsibility and discipline for the long run, and we're in a position now where this additional stimulus, whatever it is, \$50 billion to \$100 billion, is certainly going to push us back into deficit. There's no -- I mean, let's -- there's no, I don't think, any way around it, is there? Am I mistaken? So this time next year we're going to be -- we're running a deficit, OK. What then?

Assume that we go forward with this stimulus. I have less confidence, frankly, that this stimulus at this time, given the mood of the country, is going to do what people hope it will do. And so we put it out there holiday season, whatever it is we decide to do and see what happens. But we know one thing that will happen: We'll be back in deficit. Then what? How do you see us recovering back to the extent of moving towards fiscal responsibility again, trying to deal with our long-term problems? Do you have any final thoughts on that?

KRUEGER: Yes. I think your diagnosis is right. I have two responses to it, and it's a lot easier for me to respond from this table.

KRUEGER: One is to revisit the tax cuts that have already been enacted, especially the big cuts in the our-years. The second, which is even easier to say from this side than the other

side, is to look at some of the entitlement programs and to look at Medicare. And looking at the long-term budget, Medicare, I think, is a much bigger concern than social security. How do we restrain the growth in costs of Medicare yet provide sufficient protection for the elderly for health care risks?

BAILY: Well, I think as long as the economy recovers, and I'm optimistic that it will, not in the very short run but over the next year I think it will recover because I think the fundamentals of the economy are strong, then I think we have choices again. But I said that what Alan said, I agree with what Alan said. We should revisit those tax cuts and see if we can still afford them, because the budget arithmetic has changed.

CONRAD: Maybe I can just go to that question as we end here. We've been working, actually, since the morning after the attack on reassessing our situation and where we're headed. And in many ways, this chart sums up where I think we are. And what this chart does is it looks at our trust funds, it looks at the revisions that have been made to defense spending and to the rebuilding effort. It looks at the airline assistance package, other disaster aid that we have done in previous years. It extends the expiring tax provision. It looks at the other budget resolution policies that have not yet been enacted but were in the budget that was passed earlier this year by both house of Congress. It looks at a possible \$60 billion tax and spending stimulus for 2002. It looks at the economic adjustment, because we have a sharper downturn than was earlier forecast. So it looks at all of those changes.

And then it looks at not only the effect on 2001 but 2002 out to 2011. And the conclusion is very sobering. Not only do we see we've got substantial red ink in this year and next year and in fact that we'd be in deficit next year, on a unified basis we'd be in deficit, but also it shows that we would be using over this 10-year period \$373 billion of payroll taxes from Medicare to fund other government programs and almost a trillion dollars of social security payroll taxes to fund other government operations, for a total of \$1.3 trillion being used of payroll taxes to fund other government operations.

This is much more than a short-term dip. This is a very fundamental change in policy, taking money from people on the basis that it's used to pay benefits and secure the future of those programs and then taking substantial amounts of it and using it to fund tax cuts and other government programs. To me, this is something that requires our very serious attention as we move forward.

Clearly, we've got to do whatever it takes now in the short term to defend this nation. Obviously, that's a long-term concern as well. But the immediate urgent need is for these additional defense dollars to do whatever it takes to defend ourselves, to take the attack to those who have perpetrated criminal acts on this country, to rebuild. But we have also got to keep our eye on the ball on the long-term fiscal condition of the country.

These are my calculations, and I'm happy to stand by them, have my credibility attached to them. I believe we've got a very serious long-term problem here. I believe it's totally inappropriate to be taking -- in the long-term, to be taking payroll tax money and using it for other purposes, especially in the light of the fact the baby boomers start to retire in 10 years.

I don't know if you'd want to react to that, and, again, I'm not attributing these numbers to anybody else. These are numbers that I believe are in the ball park of what we face, but I'd just be interested in your observations.

BAILY: Well, I basically agree with you. I think that we do have a long-run fiscal problem, which is the baby boom generation, Medicare and social security. So the long-run fiscal situation of the U.S. is not good. I think even now we are borrowing from overseas substantially, so that's another sign that we're spending or consuming more than we're producing. So for all those reasons, I think it's important to increase national saving and not to decrease it. And that's why saving those social security surpluses or even running

additional surpluses is helpful for our economy and will stand us in better stead going forward. If we can pay down the debt, we'll be in a much better position to deal with the baby boom generation. So I agree with you.

CONRAD: Dr. Krueger?

KRUEGER: Well, I agree also. I think one thing which your chart demonstrates is how variable and unpredictable our budget forecasts are. And I think it's important to bear that in mind when we do budgeting.

One small point I would make, though, which would make...

CONRAD: Can I just stop you on that point and say, you know, I don't know how many times I tried to warn our colleagues, how many times I've put up that fan chart from the Congressional Budget Office about the uncertainty of the forecast that we were using when we were writing the previous budget. I must have used that chart 50 times here in this committee and the floor of the Senate, in the Finance Committee. Because I used to be responsible for forecasting the revenue of my state, and I used to have to forecast for 30 months, and I knew how uncertain those forecasts are. You're talking about 10 years. It is so uncertain, and just very small changes now make huge differences over time. That's what we're seeing now. So, unfortunately, I believe the budget policy we put in place earlier this year was fatally flawed when it was done. I thought the tax cut -- while I supported a significant tax cut, I thought the one that we put in place was simply unaffordable. It was too large, it was too risky. And I think that's all proven to be the case, unfortunately.

None of that helps us now. I mean we've got to go back to the drawing boards and reconsider previous actions in every part of the budget and think very carefully about their implications for the economy now. This is not just a matter of some green eye shade concept of, "Gee, it's important to maintain integrity of trust funds." Absolutely, that's important, but it has a much bigger significance, and that is the effect on the economy.

And, Dr. Krueger, you had additional thoughts you wanted to...

KRUEGER: Well, I had trouble seeing the exact numbers, although I could tell that some of them were red. One small comment I was going to recommend is to try to scale them by GDP, which might make the situation look a little bit less dire.

But I wanted to conclude by saying I was on CNN last week, and they asked, "Well, what do you see as the bright -- what's on the positive side?" And I think there are some things on the positive side. One of the things on the positive side is that we entered this year with a surplus, and the fiscal discipline in the past has put us in a much better position to handle this kind of crisis than where we were before. And then...

CONRAD: Hopefully there's a lesson in that...

KRUEGER: For the future, I agree with that.

CONRAD: ... going forward, that fiscal discipline in the past really paid enormous dividends now. My God, can you imagine the situation we would have been in if we hadn't gotten our fiscal house in order by the actions we took in '93 and '97, if we hadn't taken those actions, what kind of circumstance we'd be in today?

KRUEGER: We would certainly be looking at a lot more red.

Then the second issue I would raise on the positive side is that the Federal Reserve Board had already started lowering rates. And the effect of interest rates on the economy take place with a lag, so that was already in motion, which is positive.

And I think another thing that's positive is that Congress is acting quite quickly to respond to the current economic downturn. In the past, the problem with stimulus packages has been that they're enacted after the economy has already begun to recover. And I think that the Congress should be commended for taking such quick action in this case.

CONRAD: Thank you very much. Thank you again for being here. Thank you for your patience. Thank you for all of the effort and energy you've put into your remarks here today. We appreciate it very much.

END

"Larry King Live," CNN, 10/5/2001

LARRY KING, HOST: Tonight: Can tragedy transform a city, a nation, a world? We'll talk about loss and recovery, hurt and hope.

Joining us, Senator **Hillary Rodham Clinton**, Democrat of New York. With her, New York's senior senator, Democrat Chuck Schumer. And her majesty Queen Noor of Jordan.

We'll also talk with World Trade Center survivor Manu Dhingra; he walked down more than 80 flights after being badly burned. John Sherry didn't make it home on September 11; his brother Robert shares his story and some remarkable photos from ground zero. And Lisa Beamer, her husband Todd one of the heroes of United Flight 93; her strength has inspired everybody. Another inspiration: Michael Hingson, blind since birth, climbed down more than 70 World Trade Center floors with his guide dog Roselle.

And later, Liza Minnelli with a musical tribute to New York, New York.

All next on LARRY KING LIVE.

We were in Washington the first two nights of this week, and the past three in New York. And tonight, a very special show. Three distinguished guests who'll be with us all the way, and then victims, survivors and others will be coming by, and we'll be talking to all of them.

Senator Clinton, we'll start with you. Have we come to grips with it? Has it settled in?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Oh, Larry, I don't think it ever can settle in. I don't think that this incomprehensible tragedy will ever be something that will settle in, and that we can settle ourselves with.

But, there has been so much done to try to help the survivors and the families, and to begin the rebuilding effort that there's a lot of work to do. And I think in some way that's helping all of us keep going forward.

KING: But a piece missing, right Senator Schumer?

SEN. CHARLES SCHUMER (D), NEW YORK: No question. We're never going to be the same; we're never going to be whole again -- New Yorkers, Americans too.

This is -- I think every one of us in a certain way feels violated. Our country felt safe and impregnable, and now we don't anymore.

KING: And how does Queen Noor feel? Queen of another country, but an American by birth.

HER MAJESTY QUEEN NOOR OF JORDAN: Well, I was in Brooklyn today, where my family emigrated over 100 years ago, and I went to see the Arab-American community there, who have not only suffered the grief and loss of the World Trade Center disaster, and rescue workers and policemen and others of Arab-American origin who passed away, but who also had stories of hope and faith to share. Jewish, Christian, Muslim Americans coming together to help one another through this very difficult time.

So I was agonized by their fear and insecurity -- the backlash. On the other hand, I think some of what we're talking about today -- some of that hope, and what will take us forward is evident in the way people have come together.

KING: Senator Clinton, are people -- are all people aware of help they can get?

CLINTON: No.

KING: New York is always -- I grew up here, I know New York helps.

CLINTON: New York does help. But we're finding that a lot of people still don't know where to go for help, or what help is available. I met today with a group of small business owners downtown in Tribeca who have opened up for business again, but no one is coming. They don't know whether they'll be able to keep their doors open. They need help right away.

We got them together with the SBA and the FEMA. You know, Chuck and I have been working very hard to make sure that the federal government and the city and the state are all coordinated so that whatever help is needed, we're going to try to provide it either through existing programs, or making programs to fit this particular situation, which is unprecedented in our country's history.

KING: Are you satisfied with what the United States government is doing?

SCHUMER: Oh, yes. The response that we have gotten from our colleagues, from one end to the other of this country has been amazing. The president has just been incredible.

I will never forget the moment -- never -- when we were in Oval Office, Hillary and I, and I made the pitch to him. I told him why New York needed an additional \$20 billion, a huge sum. It was the day after the tragedy, we were all still emotional about it. And I said, Mr. President, we need an extra \$20 billion. He said, New York needs an extra \$20 billion? I was certain he'd say, well, let's study it, or let's start off with two or three. But he rose right to the occasion. He said New York needs an extra \$20 billion, you got it.

I was so overwhelmed, I think there were tears in both of our eyes. I got up, and I was about -- we were both seated -- we were all seated -- I was about to hug him. Then I realize he was president, so I patted him on the shoulder. Don't hug a president.

CLINTON: But you know the president calls Chuck Ellis, because that's his middle name, which -- he was named for Ellis Island.

KING: He calls everybody by a different. What does he call you? Aha?

CLINTON: Aha, senator.

KING: You lived for a long time in a country where -- in an area of the world where terrorism was kind of commonplace. Any advice you can give to people who are now living with that?

NOOR: Yes, I have lived for a long time in a region that has been afflicted by -- and I think that is why the people of the region feel so strongly about what happened here, and share, and are also trying to reach out, and hoping and praying that this coming period will be one in which we can work together based on lessons learned from tragic experiences that highlight the importance of our working together, of our building coalitions of all sorts across the spectrum of cultures and faiths and all backgrounds.

KING: The purpose tonight is to bring together people who have been victims who survived, who have lost and have our three distinguished guests mingle and talk with them as millions of Americans do.

And we have one bit of news just in; I'd like you to comment. We have learned -- CNN has learned that known and suspected members of terrorist cells have been monitored in recent days in activities that mirror those taken by suspected hijackers preceding September 11. The sources stress there's no evidence of a specific threat, but in the words of one, the intelligence data adds to a sense of unease that something else might be going on.

What do you make of this?

SCHUMER: Well, you know, as we all know that bin Laden and al Qaeda and other terrorist groups didn't just have these 19 people, or even the 30 or 40 who supported them, but there are many more.

The one bit of good news which this sort of shows is, since September 11, the intelligence organizations around the world, even from countries that didn't cooperate with us at all before, who weren't friendly to us before, have really opened up. And if you talk to our top intelligence officials the amount of information that they are getting now compared to before September 11 is enormous.

And that may well help us thwart future attempts to do such dastardly things.

KING: So this information is a plus, in a sense?

CLINTON: Well, I think we have to recognize the reality of potential future attacks. And we're taking every action that we can possibly take to protect ourselves and to be vigilant.

I'm very supportive of the president and the administration seeking additional authority to conduct the surveillance that's needed in order to keep track of anyone who might possibly be connected to a terrorist network.

Having said that, I think that we all have to recognize, we can't live in fear. We cannot let the terrorists terrorize us; that is their objective. But we have to be vigilant, we have to look out for one another, we have to be much more aware of our surroundings than Americans have ever had to be before.

SCHUMER: But still on the -- you know, we had this horrible incident -- we are still a safe place in this country. And Hillary is exactly right. If we just hide under our desks or our tables, if people who were going to buy that car on September 10 and need that car, should go buy it. We have to move on with our lives. We'll never be the same, as we talked about earlier, but we can't sit in fear. Then they'll win.

KING: Tragically, your majesty, though, it often works, doesn't it -- terror. It does create fear; it does create unease; it does create what it intends to.

NOOR: Well, I wanted to add -- and this will answer that question, as well -- to the previous points, that one of the great opportunities provided is this cooperation, this international, now, coalition of sharing of information, of planning, looking ahead and trying to identify strategies for dealing with this kind of extremism and these kinds of incidents, and to do it together.

So I think that, in fact, instead of dividing, these actions have, in fact, begun to bring people together across national boundaries, across cultural boundaries. And the opposite of what was intended is going to be achieved if we continue to work in that direction.

KING: But if you don't, it does achieve, right?

NOOR: That's why we must sustain the effort of working together throughout the globe, not just to address what happened in the United States, but to see that as an attack against humanity, against all of us in the world.

KING: We're going to begin our series of dramatic guests, and have our panel question them as well. And we'll be right back; don't go away.

(BEGIN VIDEO CLIP)

KING: Do you feel a sense of pride as a New Yorker as to how all the people here have handled this?

UNIDENTIFIED MALE: Well, we all already knew that. Everybody in New York knew that we would pull together. We always pull together. You see snowstorms, hurricanes, it doesn't matter, you know. People will just jump out in the street and help you push your car out of a

snowdrift. It's always been like that. And I was very happy to be a New Yorker every day of this, because everybody pulled together even more.

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: Welcome back to LARRY KING LIVE, with Senator **Hillary Rodham Clinton**, Senator Chuck Schumer, and Queen Noor of Jordan. Joining us now is Manu Dhingra, 27-year-old security trader, first of the surviving World Trade Center burn victims to come home from the Weill Cornell burn center. Thank you for coming, Manu. How are you, by the way?

MANU DHINGRA, WTC BURN VICTIM: (UNINTELLIGIBLE) spirits up, so everything is getting back to normal a little bit. Trying to...

KING: What happened to you? How did this happen?

DHINGRA: Luckily or unluckily, I was a little late to work that day. Going up to my office, just got even off the elevator and made a right turn in the tower one.

KING: What floor?

DHINGRA: On the 83rd floor. And that's when the first plane actually hit. And I guess, the fire found its way down the shafts and the elevator doors just exploded, and I was just caught in a ball of fire.

KING: You were in a ball of fire?

DHINGRA: Yes.

KING: So you were burning?

DHINGRA: I was -- I mean, I thought I was dead. But it lasted a few seconds. I guess if I was on the elevator door, it would have been pretty much over. But it lasted a few seconds, and after it was over, I just noticed my arms were peeling, my face, my back, legs. I just found some energy to run into my office and ask for help, but nobody was going to come up that high. And everybody started evacuating by that time, so my coworkers kind of forced me to walk down with them all the stairs.

KING: And you put the fire out?

DHINGRA: The fire had kind of like gone by itself. I was wearing like cotton clothes -- it was -- all my clothes were ripped all they way.

KING: Were you in pain?

DHINGRA: Oh, I was in so much pain.

KING: How did you get down 83 floors?

DHINGRA: I wanted to sit down a lot. I was very dehydrated at the time, but everybody was very calm on the stairwell, because nobody knew at that time the buildings were going to collapse. So they let all the injured people through, and somebody was nice enough to give me water to get down the stairs. And I finally made it down, I got an ambulance, and didn't walk for two and a half weeks after that.

SCHUMER: Did most of the people up that high get down in your building?

DHINGRA: Everybody up until I guess where the plane hit, I think it was in the '90s, early '90s, got OK. Everybody after that didn't make it, I don't think.

KING: Where did you suffer the worst burns?

DHINGRA: My arms and my back. Back, they waited out to see if I needed surgery on, but they decided that it was healing on its own. The arms, they had to graft, they took skin from my legs to kind of graft the arms.

KING: People are amazing, aren't they, Hillary in times of...

CLINTON: Well, it is amazing, and it's a real tribute to your spirit and courage to keep going. And the people around you, who I understand kind of helped keep you going, and kept urging you on.

DHINGRA: I think -- I think at a time when you realize that, you know, you should be dead, and you are not dead, then I think anybody in that situation would be in -- do the same thing and try to find a way to survive.

CLINTON: When did your family find out? How were you able to reach people?

DHINGRA: I was able to like give my phone number to my friends and made sure that they contacted my parents, because that was the most important thing to me, that even more than being OK, is that they know that I got out at that time.

KING: Before the queen might have a question, let me -- earlier this week, we went to New York's Weill Cornell burn center, a division of New York hospital. It's the biggest and busiest facility of its kind in the United States. It's treating some of the victims of the world tragedy as we speak.

One of them we met with was Persar Nandan (ph). He just stepped into an elevator when a plane hit his building. Listen to his story.

(BEGIN VIDEOTAPE)

PERSAR NANDAN, WTC BURN VICTIM: So everything (UNINTELLIGIBLE) normal (UNINTELLIGIBLE). Before (UNINTELLIGIBLE) moved, I heard a boom, and then, debris started falling on us, (UNINTELLIGIBLE) started to fall us on, and sparks. We were all on fire.

KING: How did you get out?

NANDAN: Well, that's the point I'm coming to. So we were, all the ladies were screaming and everything, and I came to a point, like this is it. But I saw a lady, a tall, big (UNINTELLIGIBLE) lady, and I don't know how she got her fingers between the doors, and she pries open it like that.

KING: Elevator doors?

NANDAN: Yeah, the elevator doors. (UNINTELLIGIBLE), but I was all on fire. As soon as I got out of the elevator, I tried to get the fire out of my head and my hands, my shirt was ablaze too. But I couldn't get it out. So I rolled on the mats (UNINTELLIGIBLE). But I finally got the fire out of me, and I looked and I saw nobody.

KING: You were all alone.

NANDAN: They were all gone, and there was smoke, smoke. So I took some time to come to my senses. Then, when I looked, I saw a hand in a door. And (UNINTELLIGIBLE) and the person went down, so I said there is the best way. I headed toward it, I opened the door and I saw a stairway, and I started to get down.

KING: How was he treated, doctor?

UNIDENTIFIED MALE: Well, when he first got here, he was actually having trouble with breathing and he was on the respirator. And he was -- so he was treated to maintain the function of his lungs, and then we took him into what we call the tank room, and cleaned up his wounds, took off the dead tissue and so forth, and put him in a white cream that we use, an antibiotic cream.

KING: Were you in a lot of pain?

NANDAN: Yes, I was. My whole skin was ablaze, blazing fire. A lot of pain, a lot of pain.

KING: You were conscious?

NANDAN: I was, I was conscious.

(END VIDEOTAPE)

KING: Queen Noor, you were going to have something to say to Manu or ask him?

NOOR: I understand you are going to the hospital on a daily basis now. Has this experience motivated you to reach out perhaps more than usual to help others?

DHINGRA: Well, I thank God, Larry. You went to the hospital, you saw -- I mean, a lot of those people, some of them are a lot worse off than me, but they are fighting, and they are going to be OK. And I just want to like, I got out before them, I just want to make sure to see them get out and get on with their lives also.

KING: I think all of us, one of our big fears is burning, don't you think?

SCHUMER: Sure.

KING: The thought of horror.

CLINTON: And you were saying, we were watching the video, that people on the first floor were burned so badly. That's something that I hadn't ever read reported from the tragedy, because the fireball went down the elevator shaft.

DHINGRA: It found any kind of shaft it could to get through.

(CROSSTALK)

SCHUMER: The evacuation was orderly?

DHINGRA: It was because nobody had any idea that the building was going to collapse. So everybody was very nice. I mean, they helped me.

KING: You didn't think it was going to implode, so you...

DHINGRA: Right. I mean, nobody knew.

KING: Did you know a plane had hit?

DHINGRA: No, I thought it was just -- I mean, I thought it was a bomb. I mean, honestly, those were my first instincts about this.

NOOR: How do you look at the rest of your life?

DHINGRA: In a different way, of course. You know, nothing ever will ever be the same.

But I just would like to make one comment, if I could. I'm in an individual of Indian descent, and a lot of the people I worked with in my office were Middle Eastern and Asian descent, and these people who committed this terrible crime did not discriminate. And recently in this country, there have been some crimes committed against certain groups, and I just wanted to comment, that if we have one thing in common, and that is that we are all American first, and we shouldn't just rush to judgment about certain things.

SCHUMER: And you know, that is so important for people to understand, the overwhelming majority of Arab-Americans, Muslim Americans, hated this crime, just as everybody else did.

DHINGRA: And if it wasn't for some of my friends who are of Middle Eastern descent I wouldn't be here, because they helped me down the stairs.

SCHUMER: And you know, it is un-American to discriminate against someone because of their religion. That's what the terrorists do, that's not what we do.

NOOR: Thank you so much for contributing that, it's terribly important.

KING: What saved you? Getting to the hospital fast enough?

DHINGRA: Yeah, that was, that was -- I mean, once I knew that I was like alive, I just wanted to get help as much as quickly as possible, and just to feel safe. You know, and luckily I found an ambulance, and took me to the Cornell medical center. And the doctors there are amazing.

KING: You still have pain?

DHINGRA: A lot of discomfort, but, you know, medication helps to sleep at night.

NOOR: And you think you were in the same ambulance as the gentleman we just saw on television?

DHINGRA: I think so, I think I was.

(CROSSTALK)

KING: Let me get a break...

(CROSSTALK)

DHINGRA: About a year, about a year I should be like fully healed. Yes, hopefully.

KING: Manu, you stay, and when we come back we will be joined by Robert Sherry. He lost his brother John. He has got quite a story to tell and amazing pictures, too. We will be right back.

(BEGIN VIDEO CLIP)

KING: How has this changed you?

UNIDENTIFIED MALE: In every conceivable way. I can't express the depression I have been in since then, along with everybody else. I mean, it has been a very difficult time. And how do you solve it? How do you find somebody who's done something like this?

(END VIDEO CLIP)

KING: Joining us now at our bureau in New York is Robert Sherry. Robert lost his brother John at the World Trade Center. John worked on the 84th floor of the Number 2 building.

What were the circumstances -- how did you know -- find out about this?

ROBERT SHERRY, LOST BROTHER AT WTC: The morning of the tragedy I had stayed home, was going to get into work a little late. And I was on the phone with a customer. A customer had informed me that the -- one of the towers had been hit. At that point I dropped the phone, and I said, my brother is in that building. I called his office and got no answer.

KING: You turn on the TV?

SHERRY: Yeah, I turned on the TV. Called his office, got no answer. Called my mom, and I forgot which building it was in. I knew he was on the 84th floor, he worked for Euro Brokers.

I started to panic. I didn't know where to go, who to call, obviously, with this happening. I just kept calling his phone. At this time I had seen the most horrific act of terrorism that anyone could ever imagine, with the second plane coming in and hitting the building.

KING: You watched that live?

SHERRY: I watched it live. It's like, you know, seeing somebody hurt your family, kill your family; and it really hurt.

My brother was planning a vacation with his wife, and he sent her off the night before to Scotland with the two boys, James and John. She never felt right about it. And they had never been apart for any length of time. And Missy (ph), John's wife, had also been watching CNN in Scotland and called my brother.

My brother's a very relaxed person. They call him all-star on his desk.

KING: There you see his picture.

SHERRY: Five years ago.

They called him an all-star at his desk, all people from Euro Brokers.

KING: Liked him.

SHERRY: He never panicked, and his job was extremely stressful, as all bond brokers, screaming all day on the phone, get the job done, feed their families, go home.

KING: Were you close?

SHERRY: Extremely close.

KING: Are your parents living?

SHERRY: My parents are.

KING: How are they handling this?

SHERRY: Today was a tough day. I think the toughest part for everybody is closure.

KING: You went to ground zero.

SHERRY: I went to ground zero yesterday.

KING: What was that like for you?

SHERRY: It was a war zone. Two months ago, sitting in the house watching TV, terrorist acts can happen anywhere in the world and it never affected us. My 8-year-old son said to me, dad, where is that? And I just was oblivious to it -- didn't pay attention to it. And I said thank God we're Americans, we live here, that will never happen here.

KING: You took pictures of that, right? We're going to show some of the pictures you took.

SHERRY: I did. You know, my nephews need something to remember my brother by, and this may not be it but...

KING: You haven't been there, have you?

DHINGRA: No, I haven't.

KING: With all the rest -- have you been there?

NOOR: I have not been there.

KING: Of course, Chuck and I was (sic) there the other day, and the sense was loss tremendous. But you -- did you feel -- you were standing where your brother was.

SHERRY: I was with my -- two of my four sisters, and it was complete silence for a good hour and a half. We just stood there.

NOOR: How is your brother's wife, and how are his children doing?

SHERRY: My sister-in-law is an extremely strong person. She's got a shell of armor. And she's given me a tremendous amount of hope at first. The strength for her children, the support from the town we live in -- Rockville Centre, small town on Long Island -- got hit pretty hard.

KING: Twenty people in that town were killed. The town has raised money. Also some 300 businesses and individuals are pledging to give victims' families free services, right?

SHERRY: That's correct; from plumbers, electricians, gardeners.

KING: You're on a program called Friends of Rockville Centre, right?

SHERRY: Yes. A close friend of mine, my brother's and family, Bill Hogan (ph), Greg Diverna (ph), quite a few other people in Rockville Centre -- Mayor Murray had decided, let's do something for the families. And they raised over -- \$100,000 dollars was committed to...

KING: This is for both, and the panel can jump in: Are you angry?

DHINGRA: I'm not angry at all, I'm just -- it does not help me anyway, because I'm just trying to get better. And it just will get in the way of anything.

SHERRY: I feel the same exact way. I'm not angry; I want peace. People tell me you're at different stages; I know where I'm at. Maybe that stage will come. Just the outpouring of support from people, making me feel good.

KING: Senators, what...

CLINTON: I was in Rockville and went to the high school, South Side,

SHERRY: Where I graduated from.

CLINTON: Did you graduate...

SHERRY: Yes.

CLINTON: And I met with a couple of the students who had lost their parents, and one of the teachers -- a young teacher who had just gotten married and lost her husband. And I met with about 100 of the students.

I was so impressed with those young people. You know, the thoughtfulness and concerned questions that they posed to me, it was something that, you know, just impressed me and made me very proud, because I know how hard-hit the community was. But the way that people are supporting each other and handling it, and using their energy to be positive, not to be filled with, you know, the kind of anger that could eat away at your insides and turn you against each other, is very important to see.

(CROSSTALK)

SCHUMER: ... that is -- Rockville Centre is a great place. I always march every year in the St. Patrick's Day parade there. And it is a place where people come together naturally.

But what this incident -- this horrible, horrible thing has done, is it's brought us all together in communities. Our neighborhood -- we lost 11 firefighters in the Brooklyn neighborhood I live in. Every night there are still people there and bringing food and consoling the firefighters who are left.

You know, some -- out of this awful tragedy, some good has happened. And the good is...

(CROSSTALK)

KING: ... about New York?

NOOR: Well, there's that, and I was going to say, also, do your communities now feel a little more connected to the rest of the world? Tragically, in this way to, as you put it earlier, what is affecting other people's lives...

KING: You have a bond, right?

(CROSSTALK)

SHERRY: Absolutely. I would never look...

(CROSSTALK)

NOOR: ... perhaps a little more interested in understanding more about what's going on in the rest of the world?

SHERRY: Absolutely.

KING: Robert, good luck.

SHERRY: Thank you very much.

KING: And Manu, good luck.

(CROSSTALK)

KING: When we come back, two people who have been on this show quite a bit, Lisa Beamer whose husband helped send a plane down in Pennsylvania, and helped save lives in Washington, and Michael Hingson, blind since birth. He'll be here with his dog. Don't go away.

(BEGIN VIDEO CLIP)

KING: What's business been like?

UNIDENTIFIED MALE: Oh, it took a huge nose dive at first. At first, it was like -- but, and then, when people started petering in, it was like group therapy, everybody wants to tell their story, everybody wants to say where they were and wants to tell you how decimated things are. And it really, you know, I did the best I could with that, I asked them how they felt and all that, but...

KING: Bartenders have to do that.

UNIDENTIFIED MALE: Oh, yeah, that's pretty good.

KING: Psychology.

UNIDENTIFIED MALE: Oh, but yeah. There was a guy who came in once and he said he had 19 funerals to go to. And I -- I know. I -- I was just shocked.

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: Tomorrow night, scenes from around New York, from ground zero, from the burn center, from just ordinary people on a special edition of "LARRY KING WEEKEND." Sunday night, Shimon Peres, foreign minister of Israel will be with us, Bob Woodward of the "Washington Post."

Tonight, we are spending the evening with Senator **Hillary Rodham Clinton** and Senator Chuck Schumer, Democrats of New York, and Her Majesty Queen Noor of Jordan, and victims. We are now joined by Lisa Beamer, the husband of Todd Beamer, one of the heroes of United flight 93. You have all seen Lisa on this program many times, and you saw her in a special box the night the president delivered his speech in Congress. She is expecting their third child in January.

And Michael Hingson, blind since birth, he was guided down from the 78th floor of the World Trade Tower by his dog Roselle and a colleague, and Michael, like Lisa, has also been on this program before.

How do you hold up, Lisa? I mean, every time I see you, you look like -- how do you do this? You look radiant.

LISA BEAMER, HUSBAND WAS FLIGHT 93 HERO: Well, I have said before, there is a lot of times when I don't look radiant throughout the day. You know, I'm an emotional person like everybody else, and I'm suffering, grieving, like every human being, but I do have that bigger picture perspective that my faith in God gives me that lets me know that God knew that Todd was going to get on that plane that day, and he let him get on it anyway, knowing what that was going to mean for Todd and knowing what it was going to mean for our family.

And he has a plan -- he had a plan for Todd that resulted in good, and has a plan for me that's going to result in good.

KING: The fact that he was a hero, does that surprise you?

BEAMER: No. I actually didn't know what his role in that plane was for three days. And a lot of people asked me what I thought he did, and I said I thought that he acted, and I said I thought he remained calm, and I thought he maintained his faith, and I thought he had his family in his mind. And when I heard the results of that telephone call with the GT operator, all of those things were confirmed.

KING: The operator called -- you didn't speak to him, but the operator -- he reached the GT operator and told her everything that happened, right?

BEAMER: That's right. Right.

KING: Almost blow-by-blow, right?

BEAMER: Yes, she gave me a 15-minute phone call, that things that she talked to in about for the last 15 minutes of the flight before he got up and took action, so I have a really detailed account of what happened.

KING: Before our guests have questions, Michael, those who don't know or may not have seen you, you walked down 78 floors. What kind of work did you do?

MICHAEL HINGSON, BLIND SURVIVOR OF WTC: I worked for -- and I still work for a company called Quantum ATL. I have managed the sales organization for channel sales in New York and New Jersey.

KING: Do you work with Braille?

HINGSON: Some. And talking computers.

KING: And...

HINGSON: And a lot of customers

KING: And you have been blind since birth, right?

HINGSON: Yes.

KING: OK. And Roselle and you went down 78 floors.

HINGSON: Yes.

KING: What did you hear, what did you think was happening? You can't see, what did you think and feel?

HINGSON: You didn't need to see. There was a pretty loud sort of explosion, we felt as much as heard, the building swayed a significant amount. So we knew that something was wrong. We smelled smoke fairly quickly, and then once we left the office we started to smelling jet fumes, so we knew there was an airplane involved. We didn't know it was a terrorist situation. We never knew about the second airplane hitting until we were down and out, and actually after the building collapsed.

KING: Was Roselle calm?

HINGSON: Roselle was calm. It's a team effort, and so as long as I stayed calm, that helped Roselle, and as long as Roselle wasn't panicking that because something was coming at us and about to run us over or crush us, then I was able to stay calm. So we fed off each other.

KING: What do you make of Lisa and her husband?

HINGSON: Oh. There is no words that can describe it. Lisa is very incredible, and her husband certainly did a very brave thing, that I'm not sure that all of us would be able to do. But we all have choices, and he made what certainly is a very heroic choice.

KING: And Lisa what do you think of Michael and Roselle?

BEAMER: Well, I have been impressed with them. I met them a couple of times in person now, and I am not a huge dog person, but I'm impressed by this dog.

KING: Anybody want to ask of either person, Hillary?

CLINTON: You know, one of the things that has struck me throughout this whole terrible time that we have all gone through is that those of you who were directly affected have really inspired so many other people. You know, Lisa's faith and her love and her, you know, absolute conviction that her husband was meant to be where he was and he did what he was called to do, I think has helped so many people.

And Michael's courage, which, you know, it takes -- it takes courage to lead an active life and to pursue your interests and to, you know, work in the World Trade Center being blind from birth, and that in itself is a real statement, and then to, you know, being led to safety along with Roselle. And I would be really interested in hearing from each of you how you would say to someone who came to you with just the kind of grief that so many are suffering, saying, you know, how could this happen, why did this happen? What can be done about it?

Because what I worry about, Larry, is I have studied a lot of these other tragedies and disasters, and we have a lot of people who are just beginning to feel what happened. They have been running on adrenaline and willpower. Do you have any words, Lisa, as to how we can help each other?

BEAMER: The why question is a big one. And ultimately, my faith tells me why is because evil exists in this world, and things like this unfortunately will happen again, but the reason that God allows them to happen in my mind is because good will come out of them, and we have certainly seen just in the stories here tonight good results, we have seen it in our country, how we have pulled together, renewed patriotism, renewed love for each other, which we, you know, have not had in many years. So, you know, there is a lot of good that has already come out of this.

KING: But you never doubted your faith?

BEAMER: Never.

KING: And show people that -- Michael, what about you? Do you believe?

HINGSOON: Absolutely. I think, even to carry what Lisa said further, God gave us all choices, gave us all the ability to choice, he gave us free will. And we have the right to choose how we act and how we behave. The people that did this made their choice, and they will have to live with the consequences, as we all do.

But I think that by choosing to react and tell our stories and to continue to be positive, because that's the kind of people that we are, is the most important thing that we can do.

KING: Our panel are of three different faiths. You're Jewish, and...

NOOR: Muslim.

KING: In the Muslim faith, feel exactly the same?

NOOR: I was going to say that, again, one of the important aspects of this tragedy as we go forward is the fact that it has focused attention on our faith, and because of the immediate initial media reaction and assumptions, the stereotypical assumptions that were made about those responsible, it has caused a lot of examination, a lot of discussion, and it has brought Jews, Christians, Muslims and other faiths together, because they are all bound by the same values and principles.

And among the children of Abraham, we are worshiping one God, we value the sanctity of life, tolerance, compassion, and most importantly, accountability before God, and perhaps

more important than that, peace. It is the central tenet and responsibility of every child of Abraham.

KING: And the Jewish viewpoint?

SCHUMER: I think it's the same. I mean, as Queen Noor said, we are Abrahamic faiths, all descended from Abraham, and you know, I think Lisa said it right, God works in ways that many of us can't understand.

But ultimately, there has to be a reason, and what I'm impressed with as I meet people who have been through what you have both been through, people who have been much closer to it than all of us is in a certain sense, there is -- peace might not be the right word, but there is sort of an understanding and a calmness that many of us who were a little further away it from it...

KING: Don't have.

SCHUMER: Don't have, and I think we could learn a lot from all of you, and the other people that I have talked to. In the fire houses, where they have lost so many, there is a certain sanctity and a certain calmness that you don't have in other places, despite the sadness.

KING: Let me get a break, and we'll include some of your phone calls for the senators, for her majesty and for Lisa and Michael. We'll be right back.

(BEGIN VIDEO CLIP)

KING: How long you been with the fire department?

UNIDENTIFIED MALE: Thirty-one years. (UNINTELLIGIBLE) 1970, you know, I figured only three months to go, I never dreamed. It's funny, when I first came on, an old-timer said to me, "kid, the worst thing you will ever have is a plane crash." I didn't know in the last three months I would have a plane crash in the World Trade Center.

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: We're back. Michael, do you consider yourself lucky or blessed, or what?

HINGSOON: Blessed. I guess I don't regard luck as having a lot to do with it, I certainly think blessed. But I think everybody was blessed who was there, no matter what happened to them or no matter what they are doing now. My faith, and I believe the faiths of all of us here, as Lisa said, and as Her Majesty Queen Noor said, we all have jobs to do, no matter what it is going forward, no matter where we are.

And I'm here and I'm telling the story, because I believe that I'm being led to do that, clearly, by the focus of attention, but just because it happened.

KING: Lisa, how are you going to handle raising children? Your father is a hero they are never going to know.

BEAMER: Yeah. That's the a hard piece, the baby coming is a hard piece. But I have -- I have taken some positive steps already and just trying to get them some normalcy in their lives.

KING: How old are the other two?

BEAMER: David is 3 1/2 and Andrew is 1 1/2, and this baby is due in January.

KING: Three and a half, asks for his daddy?

BEAMER: He knows what happened, he knows his daddy won't be back. My little guy does still call for him and looks at pictures and wants to talk about him, but I have a lot of people who will be able to tell him a lot of great stories, and certainly all the events surrounding this will be a great legacy for him to look to.

KING: Let me get a call. Memphis, Tennessee, hello.

CALLER: Hi. My question is for Hillary. I'm wondering what is the government doing and what can you help maybe to get them to do to improve the intelligence gathering in the country so that we can all go on with our lives and not live in fear?

CLINTON: That's a really good question, and you know, we are working on a bill right now in the Congress, the anti-terrorism bill that the president has put forth. We think that will add to the kind of tools that our intelligence gathering and our law enforcement authorities need. We are doing a lot to reach out and gather intelligence from around the world.

That's one of the really important parts of the coalition that the president is putting together, is so for the first time we can get the intelligence that some of the other countries have.

KING: Sent up a satellite today, right? Military satellite, not announcing what orbit it's in.

SCHUMER: Right. We are -- I mean, we have had to learn from our mistakes. And the one thing I guess I would say to the nice lady from Memphis is, we know a lot more today than we did before September 11, we are a lot better, I think, even though it has only been three weeks in collecting and gathering intelligence. And it's still going to be a long road. We ignored this problem, terrorism, too long.

(CROSSTALK)

SCHUMER: Yes, yes, I helped work and bring some of the compromises together, so that we can still keep our basic freedoms but give law enforcement the tools they need.

KING: Do we -- we all think of this -- your husband was so beloved, what he would be saying now?

NOOR: His faith was indestructible, and in spite of everything that he faced in his life, and he would be grieving as much as any over those who lost their lives and those whose lives have been affected forever but he would also be looking to see where we could go from here, how we learn from this experience.

KING: Always looking ahead.

NOOR: How we can pull together -- for him, that was absolutely -- absolutely necessary to the resolution of any problem. And he would have celebrated the birth of your baby in January, as we all will as a new beginning, a new life.

KING: Tampa, Florida, hello.

CALLER: Hi, how are you? The question I would like to ask is, how can we as Americans ask the young men and women of this country to fight for us, and at the same time for us to be so afraid to fly? If we are asking people to give their lives for us, how can we possibly not get on a plane and show our resolve? Because we cannot show the terrorists that we are afraid, and this is what's happening. And if these young men and women are willing to give up their lives for us, we have to stand strong for them.

KING: Never heard it put that way. Senator Schumer.

SCHUMER: Yeah, you know, people are afraid of flying, of course, when a horrible thing like this happens, they are. To be honest with you, the first two weeks after the incident when I had to commute between New York City and Brooklyn where I live and Washington, D.C., I took the train. And then, the president said, let's go back to life as normal, let's not be afraid.

So I took the plane. And I was a little scared. But I will tell you, I tell this to everyone who is listening, the security is so much tighter. At the gate were U.S. marshals, were U.S. customs, police officers, with the dogs who sniff for anything dangerous. And after I flew the

first time, and everything, thank God, worked out OK, I wasn't afraid and I have flown two or three more times. I hope other people do that.

KING: Have you flown?

CLINTON: I have flown quite a bit. In fact, you and I were on the same plane from Washington. We sat together, and had a chance to catch up early this morning.

KING: Was it crowded or not?

NOOR: No, it wasn't terribly crowded, the airport wasn't, but it is resuming. It's only the second day of operation at Reagan National.

(CROSSTALK)

KING: Have you flown, Lisa?

BEAMER: Not on a commercial airliner yet, but I will.

KING: You will? You are not afraid?

BEAMER: I'm not afraid. It's more getting on the plane and kind of reliving what Todd went through, that would be difficult for me.

KING: Did you fly, Michael?

HINGSON: I would, and I will be very soon. I have reservations and I have got some trips planned that I need to make. Absolutely. I agree with what the gentleman said, we can't give into what has occurred and we can't allow them to dictate to us how we behave.

SCHUMER: Then they win.

HINGSON: Then they win, absolutely.

SCHUMER: Their goal is to terrorize us. Their goal is to make us afraid. It wasn't just the 6,000 people they killed, they want us to change our way of life, they want us to cower, they want us to fight with each other. And by both being much more united, by being strong, and by resuming our lives, we beat them.

HINGSON: Terrorism never wins in a long run, and it's not only us, it's the countries, I'm sure of their own faith that they are trying to intimidate, and it just doesn't work in the long run.

KING: Elmira, New York, hello.

CALLER: Hello. I'm concerned about the railroads, the freight trains and stuff, the safety because of they go by major stay in, and stuff, and they carry hazardous waste and gasoline.

CLINTON: Well, I'm glad you raised the railroads, because Chuck and I have been working very hard to increase security on our railroads, and that is both for passengers as well as for freight.

KING: I didn't see any on Amtrak the other day.

CLINTON: Well, we've got a lot of work to do, you know. We have never invested in rail transportation the way we need to in this country, and now I think many of us understand that we've got to have a comprehensive system of transportation, which has to include rail.

But our rail transportation has to be safer. We need more security, we need to take a hard look at, you know, where they -- where our train tracks are, and protect against any possible problems.

SCHUMER: We don't have to change our whole way of life, but we are and we can keep our freedoms and our basic lifestyle, we're going to have to make adjustments. The trains so far are wide open; and we're probably going to have to go through security gates before you get on a train, the way we do with airplanes now, and make certain changes.

But we can all do that. All we have to do is keep our resolve. And at first it's a little onerous. You know, when they first put up those gates at the planes people didn't like it, now nobody minds.

KING: Don't think about it.

Before -- in a while, before all say good night Liza Minnelli is going to be joining us and we're going to hear her sing "New York, New York," a song every American worships now.

And you were telling me that an Arab-American wrote that song.

NOOR: Yes, that's something that I've been pointing out lately because, as mentioned at the outset, Arab-Americans and Muslim Americans have been double victims of these tragedies; first in losing so many of their loved ones, and second in being targeted.

And the Arab-Americans that have served this country have served at every state -- level of government, and in the armed forces. And since my family came over in late 1800s, and so many others with them, the contribution of Arab-Americans and Muslim Americans to this country has been as profound as any group.

And for New York, one of the most wonderful stories is that Paul Anka, an Arab-American, wrote the lyrics to "New York, New York." And I think that, perhaps...

SCHUMER: And a lot of other good songs, too.

NOOR: But that speaks, I think, not only to New Yorkers, but to people in this country, and outside -- that people of different cultures, different faiths, different ethnic backgrounds are one family.

KING: Is government going on, by the way?

CLINTON: Oh, absolutely.

(CROSSTALK)

SCHUMER: Less partisanship, more unity. you know, we consult with each other much more. The idea of waking up in the morning and going to the floor of the Senate or House to beat up on the other party, that seems to be gone.

It's much more fulfilling to be in government now, with the unity of purpose that we have, and the compromises we're all making, meeting each other halfway, than it was before.

KING: Lisa, when your baby is born, what are you going to name him?

BEAMER: I don't know if it's a boy or girl yet, so I'll have to wait to find out.

KING: But you'll let us know?

BEAMER: I will.

KING: We're going to put him or her on this show.

BEAMER: OK.

KING: Michael, you continue to have good health and good faith.

HINGSON: I'll do it.

KING: And Senators **Hillary Rodham Clinton** and Chuck Schumer, thank you so much. And Queen Noor, your majesty, what can we say? I hope this program helped.

NOOR: I think it has probably helped a lot of people.

But I would like to just add one final thing, which I think is what everyone has said: Instead of living with fear, which is so easy after a tragedy like this, each of us must spend every moment thinking of what responsibility we have to contribute; what we can do, what we can accomplish together.

KING: Thank you all so much.

Liza Minnelli will close things out for us, and she'll be right back with me after this.

(COMMERCIAL BREAK)

KING: We close it out with the great Liza Minnelli who, did want to correct on the writers of "New York, New York."

LIZA MINNELLI: Yes, all I wanted to say is the princess is so lovely, and I think she's thinking of the song "My Way." "New York, New York" was written by Canternebb (ph).

KING: But "My Way" is a great American song.

MINNELLI: Oh, it's a great American song, too.

KING: Written by Paul Anka, an Arab American.

Where were you on September 11?

MINNELLI: I was at home.

KING: Here?

MINNELLI: Yes, here in New York; I'm a New Yorker. And Sam Harris called me and he said, quickly turn on the television, they've bombed the city. And I said what? He didn't know what part yet because it was still so confusing. And I turned on the television and I thought, OK, the world's gone mad, you know.

And I immediately tried to call my sister in California, like everybody did, they tried to check on people. And then you just get up and go and do whatever you can do, whether it's go down there and pick up rubble or it's sing "New York, New York."

KING: You know, you've always been one of our favorites. And of course your song has now become symbolic of all of this. You sang it at Shea Stadium that historic Friday night; there will never be a night to capture that again...

MINNELLI: Thank you, Larry.

KING: ... let's resume play. And all I can do is thank you for bringing us a song that all America now takes to heart.

MINNELLI: You're welcome.

KING: You're a special lady.

MINNELLI: Thank you very much. Thank you.

KING: We'll be back, but before we do that, let's hear Liza Minnelli at Shea Stadium with "New York, New York."

(BEGIN VIDEO CLIP)

(MUSIC)

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: The saga goes on with new stories every day, and memorable stories that don't go away. Tomorrow: stories from ground zero, when we were there the other day, and from the burn unit at New York Hospital, and everyday New Yorkers at work.

And Sunday night, Shimon Peres and Bob Woodward, a live edition.

"The Early Show," CBS, 10/11/2001

Later this morning, Senator Hillary Clinton plans to introduce legislation calling for a national task force to look at the needs of children in the event of another terrorist attack. She's on Capitol Hill.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Bryant.

GUMBEL: Well, this legislation, as I understand it, is called the Protecting Americans' Children Against Terrorism Act. What would the act entail?

Sen. **CLINTON**: Well, Bryant, one of the terrible lessons that we learned a month ago today is that all of us have to be better protected, but I'm particularly concerned about our children because of their vulnerability, their--you know, their size and their immune system, their respiratory system. So what this legislation will do is to create a special commission on a very fast track to make sure that every infor--bit of information we need for our doctors and our teachers and our parents can be made available, and that the actions we should take, like making sure we know what the proper dosage of an antidote is, or a vaccine.

GUMBEL: Were--well, were the needs of children not addressed following this tragedy?

Sen. **CLINTON**: Well, what happened, Bryant, is that all of us learned a lot on September 11th--a terrible series of lessons--and we hadn't really focused on what the specific impacts and vulnerabilities would be. And I've worked for a long time with the president of the Montefiore Children's Hospital in the Bronx, Irwin Redlener, and Irwin brought it to my attention that even in all the meetings he was attending with pediatricians and others who are focused on the well-being of children, they knew that there were some gaps in their knowledge, and so we're gonna try to fill those and replace fears with facts.

GUMBEL: Well, I--I don't mean to sound callous here, but when the entire country is rather ill-prepared for attacks of this sort, certainly for bioterror attacks, why--why single children out for help if the need is far greater than that?

Sen. **CLINTON**: Oh, well, everyone's addressing the larger need. There are many pieces of legislation building on the good work that Senator Kennedy and Senator Frist did a couple of years ago to begin closing the gaps in our public health system, to begin to get the vaccines and the antidotes once again manufactured. But in the discussions about all of this, the special needs of children, which are being brought to my attention with the kinds of questions that I'm asked by mothers and fathers every day, I believe need a particular focus because--for example, it's terrible to even think about these things, but we have to. Certain kinds of nerve gases are denser, they cluster around the floor, and that's where children's breathing takes place. We know that if we're going to be prescribing antibiotics or any other kind of medicine, we don't test for children. We don't test for what the proper dosage is. We need to start doing more of that when it comes to a lot of these medicines, and there's just a lot of unanswered questions that we should address.

GUMBEL: Let me move on to a couple of other issues, if I might. As you know, city officials are talking of a need for in excess of \$50 billion to rebuild New York City, reinvigorate the city's economy. Is Washington prepared to come up with that kind of money?

Sen. **CLINTON**: Well, I think we've had tremendous support from the president and the members of Congress, and Senator Schumer and I are working to put together the details so that we can continue to obtain the assistance that the city and the state need. It's a--it's a--it's a big undertaking, it's a difficult challenge, but everybody's been so understanding and cooperative, and we're gonna do the best job we can in explaining specifically the needs that the city and state have expressed.

GUMBEL: Do you think Washington can--can--can come up with the \$50 billion?

Sen. **CLINTON**: We don't know yet, Bryant, because a lot of the work that has to be done is just beginning. I was pleased that the governor and the mayor came out with their request, but now they have to be, you know, scrubbed and analyzed. Everybody knows that. In fact, I'm meeting with the governor and Senator Schumer and the director of the Office of Management and Budget today so that we can begin the hard work of trying to figure out exactly how much we need, and--and how soon it needs to be conveyed.

GUMBEL: Fin--final quick note on this one-month anniversary. Most people allow that our national character has been forever changed. For the better or for the worse?

Sen. **CLINTON**: Well, certainly in New York I feel, you know, we showed the resilience and the courage that has marked New Yorkers and brought people together. I sense a real commitment to working together here in Washington. I feel very positive about what we're doing and about the outcome of our struggle against terrorism.

GUMBEL: Senator **Hillary Rodham Clinton**, thank you very much. Good luck.

Sen. **CLINTON**: Thank you, Bryant.

GUMBEL: All right.

Coming up on quarter past the hour. We're back in a moment right after this.

(Announcements)

U.S. SENATOR THOMAS DASCHLE (D-SD) AND OTHERS HOLD MEMORIAL SERVICE, 10/11/2001

CLINTON: I want to thank the chaplain, especially, for being here and for starting this event. And I particularly noted the way that you described this as a day of remembrance and resolve, and that made a very big impression on me.

I also want to thank our leaders, Senator Daschle and Senator Lott, for their leadership and unity. I want to thank Senator Nichols for his support, our colleagues from Virginia, whom we've already heard from, Senator Warner and Senator Allen. And I also want to thank Senator Voinovich for being here, and Senator Mikulski, and Senator Sarbanes was here, as well.

You know, we are trying as best as human beings can to put what happened a month ago into words.

CLINTON: It's a very difficult challenge. You've heard some eloquent words here today from the hearts, souls of people who are leaders and understand the challenge that confronts us as a nation.

But as my colleague, Senator Schumer just said, a month has passed, but in some cases, the days of those months have seemed like years -- wrenching, painful years. Particularly for

those who have lost a loved one, for those who were near the sights of this destruction, who experienced, who smelled it, who felt it.

And in a very real sense every American was there. We were there at the Pentagon, we were there at the World Trade Center, and we were there in Pennsylvania. And what we attempt to do today is to carry on, to keep going, and to make absolutely clear that for those who were directly impacted by these evil attacks, we will be there far into the future. We will be there with the support and assistance that families need to get back on their feet, that businesses require to keep their doors open, and customers coming, to rebuild -- and I was delighted today at the Pentagon when I heard the president make that very strong statement about rebuilding the Pentagon just as he had said in his address to Congress that we would rebuild New York. That American spirit survives intact. And what it calls on each of us to do is summon our resolve while we remember.

I'm personally very grateful to all who have supported New York, and for the kind of continuing concern and prayers that have been sent our way.

New Yorkers, like Americans everywhere, are resilient people. That's what we're demonstrating every single day as we go forward. But we know we're also human beings. And we need to have the kind of outreached hand and hug and prayer that says, "We see you, we know you, we care about you."

On the streets of New York, you can chance upon a garden in front of nearly every firehouse that just spontaneously grew up as people brought flowers and pictures and tokens of their esteem and caring.

CLINTON: And so on a busy day, as people are getting about their daily lives, all of a sudden we're stopped short by a memorial. And there are hundreds and thousands of them. We will memorialize the losses that we suffered, but we will also, as we remember and resolve to go forward, make clear that what really counts in the long run is the human spirit. And nowhere has it been given fuller flower than in our country.

That is what they hate about us. That is what they look at and cringe, because of our freedom, our spirituality, our efforts to translate one out of many. And we will continue to do that against this cult of evil.

But we have to remember, as well as resolve, that as we go forward we will not lose our humanity and our concern for those who lost a loved one just a month ago.

Thank you all very much.

(APPLAUSE)

END

U.S. SENATOR JAMES JEFFORS (I-VT) HOLDS HEARING ON FEMA RESPONSE TO TERRORIST ATTACKS, 10/16/2001

CLINTON: Thank you very much, Mr. Chairman.

Hello, Mr. Director. Thank you so much for the extraordinary work that you and your team are doing. We are very grateful for your leadership and your personal concern, which I have witnessed firsthand and am very grateful for.

There are many issues that we're really breaking new ground down here on. All of the experience that FEMA has had -- and you and I have talked about this -- our own personal experiences with natural disasters and Oklahoma City, I think, put us in a good position to respond. But I think there's a lot more for us to learn and to disseminate those lessons so that we all can be better prepared.

The questions that I have -- and some of these are ones that are really based on our particular experience in New York, both in the aftermath of September 11th and in the difficulties that we are facing with the bioterrorism issue. How do we improve public education and provide a good basis of information to separate the fears from the facts so that people can get what reassurance they need and take what precautions they should?

For example, I believe that we should have kind of a public education town hall meeting. I've spoken to Secretary Thompson and encouraged the television networks to cooperate to have maybe a two-hour time that the entire country can watch with you and Secretary Thompson and other government leaders, as well as experts, so that everybody can get the same information at the same time. I'm very worried that there's a lot of information being disseminated that is either inaccurate or unnecessarily panicking to people.

Secondly, I know that we've got to do a better job taking the special health needs of our children into account. The incident in New York with the seven-month-old baby, I think, raises a lot of questions for us.

Children are more vulnerable than adults. They don't need as much exposure to certain elements in order to have a reaction. We don't know enough about what we should be doing to protect our children.

Last week, I introduced legislation with Senator Dodd that would try to begin addressing that and to work with FEMA so that, once again, FEMA can help us all be ready to deal with the challenges facing our children.

I'm also continuing to be concerned about a lot of the health needs. There was an article in the Washington Post today about the health needs of our workers who are on the cleanup crews, and I hope that we will fund a study to follow those workers, so that we can acquire good information, treat them where necessary. We're working to try to get that into, I think, the Labor/HHS appropriation.

And I think it's an appropriate issue for our committee to address, also, Mr. Chairman, because we don't know all of the long-term hazards and the effects that those who have been digging in the rubble for 24 hours a day, literally, around the clock might face. We need to learn that, so that we can better protect our men and women in uniform who are on the front line, and that if there are precautions they should take, we'll be ready for that.

I have just a few quick questions that really deal with the issues in New York. I know that people have said -- and I am proud that they do -- that no city would have been better prepared to deal with this terrible disaster than New York because of the response that they had in place and ready to go.

Are there lessons, Director Allbaugh, that we can learn from what New York did, and are there additional steps that FEMA can take to disseminate that broadly so that everybody in the country is as well prepared as possible?

ALLBAUGH: I'd make two particular observations regarding your question. If there's a single item that we could do, it is to make sure that police, fire, emergency responders can communicate with one another.

Oftentimes, I go into a community, and there are all types of bands and frequencies used, and folks, literally, who are responding to an incident can't talk to one another. So that is one single item I could put my finger on that we need to address immediately.

Secondly, what I've initiated -- and I had a conversation with Governor Ridge two days ago and then again this morning about this. We are going to institute a study that we've done in previous years, a capability assessment for readiness of all states to make sure that we know exactly what each state's capabilities are, as well as local entities, and where they need assistance -- well, let me back up. Once we complete that, we will design a template so everyone knows exactly what the bar is, what is going to be the measurement, where do they need to be.

I just don't want to be in a position of throwing a lot of money out there on the table. The American public deserves to actually get something in exchange for their tax dollars.

We are looking at right now improving that study. I'm going to try and get it conducted here in the next month of all 50 states and the territories so we can move expeditiously. I think that's a time when we would be in a position to come back to the committee and make some hard recommendations.

But I'll be honest with you. I'm not exactly sure that we have a good handle on what our states' capabilities are. And I think it's important that we know and we offer assistance where we can.

As I mentioned a minute ago, we spend an inordinate amount of money, properly so, training first responders and emergency managers at Emmitsburg, a fabulous facility. One of the things I need to look at is how do we expand that so we can meet the demand. Our demand far outstrips our capability at Emmitsburg.

Coupled with this, I just don't want to be the 300 pound gorilla, you know, forcing something upon states that they may or may not need. We have to have an honest, active dialog with those individuals, and we do. I can't think of a better agency that has more dialog with state individuals other than FEMA.

I'm very proud of our relationship, and it is a proper relationship. But we can improve upon what resources we can afford the states so they can be better prepared.

As you know, I'm not the one receiving the 911 phone call. These folks are the ones receiving the 911 call, and we need to make sure that they're best prepared with trucks, personal equipment, safety devices to do the best job that they possibly can, and I appreciate your question.

CLINTON: Well, I appreciate your answer, and I appreciate the gentlemen sitting in the front row and all the other first responders who are on the other end of those calls. We do need your guidance and advice as soon as it's humanly possible to provide it to us, because I think every one of us on this committee wants to provide whatever additional resources and support -- perhaps looking at some regional training facilities like Emmitsburg -- so that you could deal with the need that is out there, and people will be able to come forth -- is something we should consider, maybe in conjunction with some of our military bases or even some of our no longer active bases.

I think there are some real opportunities here if we get the kind of planning and recommendations that I know that you'll come forward with.

Another issue that is of particular concern in lower Manhattan is our small business community. We have discovered there is a potential area that needs some additional help. We have a terrible dilemma confronting our small businesses in the immediate vicinity of ground zero. Certainly, within the area itself, there's obviously no basis or ability to go back into business. That's a problem for down the road.

But within blocks of it, we have people who are literally going out of business because of the fact that this is not only a disaster scene, but it's also a crime scene, so we have many streets blocked off. And the police are doing their collection -- it's not only -- one of our colleagues said, you know, nobody's going to be tried for this. Well, that's true, but there is

information and things that are being found blocks from the site. So we're trying to be very careful about that.

But the net result is that all these small businesses are basically cut off from their customers. They're not really receiving any help, and many of them are not in a position right now to sign for small business loans, because until we get the traffic flowing again and the barriers down, there is no way they can know whether they'll be in business. They desperately want to be in business.

I talked to a bar owner a week ago, and he said, "I'm stocked, I'm ready to go, but nobody knows I'm here, and they can't get to me even if they want to come." So one of my hopes is that we could look at a single office within FEMA to address property, business, and financial losses, and that we could look at having the Small Business Administration raise the cap on its loan amounts, change its eligibility criteria, defer loan payments for two years or more, and maybe even look at some grants that were reasonably likely to keep a business open to get it on its feet.

And I would love to work with you as well on that, Director, to see what we can do more on the small business front, because it's desperately needed.

ALLBAUGH: I appreciate that. I'm concerned about individuals, as you say, who we don't even know exist. They need to really call that 800 number, and let me give it out publicly please -- 800-462- 9029. I think for the next disaster, I'm going to get an easier number that everyone can remember.

But we do try our best to track these individuals and make sure they're put together with the right federal agency so they get the assistance that they properly need. I do think it's going to take a little bit of extra effort in lower Manhattan. We have the office at Worth and Center Street. It is small, so I've asked folks to find another location so we can focus solely on the small businesses that are affected. But it is a problem that we're going to deal with.

CLINTON: I know my time is up, but I would like to also raise the possibility of a more vigorous public education campaign. I think a lot of people have been in such a state of shock until recently that they really haven't paid attention to our PSAs, our 800 numbers, our invitations to seek help. They're beginning to, so I think we have to almost start from...

ALLBAUGH: Scratch.

CLINTON: Yes, start from scratch...

ALLBAUGH: I agree.

CLINTON: ... and get out there and really get the information out so that people know where to go to get the help that is waiting for them.

ALLBAUGH: Thank you.

CLINTON: Thank you very much.

[GAP - FROM LATER IN THE HEARING]

CLINTON: Mr. Chairman, could I follow up on a point that the director just made with respect to Y2K?

JEFFORDS: Yes.

CLINTON: I believe that we had the kind of interagency information operation that you have so rightly said we should put into place for our current situation. I think it would be helpful to take a look at how that was done.

There was some legislative involvement and oversight. There was, obviously, interagency involvement. But there was a center, and there was also an individual who was tasked with being the spokesman so that all information could be double checked before somebody had to get out there and make a statement.

So I think that your suggestion is an excellent one in looking to the Y2K experience. And, frankly, I think we averted a lot of problems because we got on it, and people paid attention to it, and they were held accountable, and what we feared didn't come to pass.

If there is any legislation or changes in the Stafford Act or anything that you believe, Director, that would help you respond on that basis, I would certainly like to know about it, and I know my colleagues would as well.

ALLBAUGH: I'll make sure everyone knows about it.

JEFFORDS: I have one final question for you, and it's kind of a tough one, I know. Looking forward with all the knowledge you have now, when do you anticipate that you will be able to consider the job done?

ALLBAUGH: I'm not sure that the job will ever be done. Our lives have changed as a country forever as of September 11th. We are more vigilant now. We are aware of our surroundings. I know the things that I used to take for granted, I don't take for granted.

I have to commend the American public with high praise at the way that they've responded to this. It is absolutely remarkable. No one's really panicking. We have our incidents that you're talking about, and my heart goes out to those individuals who were directly affected. But I'm not sure, Senator, that our job will ever be done.

JEFFORDS: More specifically, relief efforts, people involved in relief efforts -- when do you anticipate that might be complete?

ALLBAUGH: I fully expect to be having an office in New York City for years to come. If you think back to the Northridge earthquake in the early '90s, we still have an office dealing with the multitude of problems in California.

This is a situation where we'll be lucky to have the site maybe cleaned up in seven or eight or nine months, maybe a year from now. We have lives that we have to help put back together, years and years of counseling, small businesses that need to be rebuilt. New York City is doing its best to guard against the loss of jobs that would affect lower Manhattan as well as the rest of the city.

And we're willing partners. We're going to be there until the bitter end, and I'm not the one to decide when the bitter end is. I think we'll all know it as a country.

JEFFORDS: Thank you.

Senator Warner?

WARNER: Thank you very much, Mr. Chairman.

Most local fire departments aren't familiar with urban search and rescue team capabilities until they are faced with the situation. Our chief here, who's with us today, suggests that the urban search and rescue resources and procedures be included in the curriculum at FEMA's National Emergency Training Center and the National Fire Academy.

Can you elaborate on that a bit?

ALLBAUGH: I think that's one of the first things that I have passed along to the folks at the Fire Administration, that we need to, when we bring in individuals from fire departments all

across the country, explain to them what resources are available, should they need to call upon them. I'm not sure that there is a need, Senator, to expand the number of urban search and rescue teams nationwide. I do believe we need to expand their capabilities.

But at a bare minimum, men and women who put their lives on the line, whether they're with the police department or the fire department or emergency managers, ought to have the benefit of knowing exactly what resources are at their disposal, and we're going to make sure that everyone is educated from here on out.

WARNER: As a follow-up, during the Pentagon response -- and, of course, our local fire and rescue and Red Cross and others performed brilliantly, I think.

ALLBAUGH: They did, indeed.

WARNER: I visited that scene only four hours after the plane struck with the Secretary of Defense. He had the highest praise for those teams that reacted.

But during that response, it was learned that there is an equipment shortage for urban search and rescue teams that allows for only one equipped team to be deployed at any given time from any one of the 28 bases. If there are multiple incidents in one area, how would FEMA respond on a timely basis?

ALLBAUGH: I'm not aware of that, Senator. We activated eight teams the first day to New York alone, four to the Pentagon, and I'm not aware of any particular shortage. I do know that we will be briefing and debriefing all of the teams, and we'll have after action reports so we make sure that we don't make any mistakes that may have been committed during this travesty.

WARNER: Thank you.

Thank you, Mr. Chairman.

JEFFORDS: Thank you.

Well, thank you, Mr. Director. It's been a pleasure having you with us, and you're (OFF-MIKE), and we thank you for what you're doing. We reserve the right, as you know, to ask you further questions which you can respond to in writing.

Thank you.

ALLBAUGH: Thank you, members. I appreciate it.

JEFFORDS: Our next panel is made up of Edward Plaughner, Jeff Metzinger, and Robert Hessinger.

Chief Plaughner, welcome. It's a pleasure to have you here. We know of your efforts and want to praise what you have done, and we'd like to hear from you on your thoughts about what we can do to improve for the future.

PLAUGHER: Thank you, Mr. Chairman, members of the committee...

WARNER: Mr. Chairman, could I intervene? I want you to know that this kind gentleman was the on-scene commander for, I think, 10 days. His unit was the first to respond. I've communicated now with our chairman of the Appropriations Committee a list of items which you feel your team needs to have either replaced or as new equipment. So I recognize all those present that have done this, but this is one man who has been there from the moment it started.

Thank you again.

PLAUGHER: Thank you very much. It is, indeed, a pleasure to be here this morning. It's also a great deal of pleasure and an honor to represent the men and women, not only from the Arlington County Fire Department, but also of the nation. And, hopefully, my remarks will assist the cause of improving our capability to respond to any type of incident.

Again, I want to thank you for allowing me to be here today, and I understand that you, as a committee, are deeply concerned, as are all of us, with the tragic events of September the 11th. These events had a profound impact on the men and women of my fire department and on the nation's fire service as a whole.

I have prepared remarks, which, hopefully, will be entered into the record, and I'll just highlight a couple of the key points in order to be brief here this morning, to allow my colleagues also ample time to testify.

It is an opportunity for me, however, to talk about the incident at the Pentagon. First of all, you need to know, I think, that our response to the Pentagon began when one of my engine companies who was responding to another routine call noticed the plane in its route to the Pentagon and was actually a witness to the incident.

Immediately, the Northern Virginia Automatic Mutual Aid Program was activated. Units from Fort Meyer, Alexandria, Fairfax County, and National Airport Fire Departments responded on the initial alarm. The second alarm units included units from the District of Columbia, as well as from Montgomery County and Prince George County, Maryland.

These first responding fire units fought a fire that was triggered by 6,000 gallons of jet fuel in the world's largest office building. The Federal Emergency Management Agency and their response to the attack at the Pentagon and its aftermath was superb.

FEMA and their front line urban search and rescue teams, which I'm sure we're going to hear more about here in a few moments, were mobilized from Fairfax County; Virginia Beach; Montgomery County, Maryland; Memphis, Tennessee; and then later on, we received assistance from New Mexico to provide relief for the exhausted rescue personnel.

I must tell you, Mr. Chairman and members of the committee, that the FEMA urban search and rescue teams made an outstanding contribution to our effort.

PLAUGHER: These teams are comprised of dedicated professionals whose hard work and unyielding efforts should not be overlooked.

Two resources that were brought to bear to the incident scene by FEMA come to mind and stand out in my mind. First was the search dog capability. It's a unique and absolutely critical and necessary component of a structural collapse search. It allows for a swift and thorough search for victims that could not otherwise have been possible.

Secondly, the urban search and rescue team brings them specially trained urban search and rescue structural engineers that allow us to then proceed into the building with safety being paramount to all the personnel on the scene.

However, there's a couple of areas where I think we can improve our business, and that is the business of response to our community, particularly in these types of incidents, and that is what the senator was just talking about to the director, which is the ability to have a clear understanding by the local first responders of what the urban search and rescue team brings to an incident, and also the capability of this being taught at the National Fire Academy.

I also think that we need to have a clear understanding of the capability that is being developed for these urban search and rescue teams. In other words, what I mean is there needs to be a standardized list of equipment that is well understood and that we can count on when this is deployed. It also occurs to me that this complement of equipment and response capability should be developed with a panel of experts that seeks out local advice, so that those of us who have been there would allow them to be able to adjust their response capability based upon our now new experiences.

We also just heard again about the need for additional equipment. Most urban search and rescue teams -- in my earlier career in Fairfax County, I was fortunate enough to be one of the founding members of the team and participated in its early structure -- we realize are

multiple deep in personnel but not multiple deep in equipment, and we think that now is the time that we could fix that.

We are, in fact, very lucky and very privileged in the Washington metropolitan area to have two urban search and rescue teams in our midst, both Montgomery County, Maryland, and Fairfax County, Virginia. This is a unique situation in our community.

However, one of the things that we also focused on and realized early on in this particular incident at the Pentagon was that there was a need for some command overhead teams. These command overhead teams would be chief officers who are experienced in dealing with these incidents and who would bring to bear that extra chief level officer capability, and we think that maybe there is an opportunity for this to come out in the future.

The level of cooperation and mutual assistance between FEMA and the Arlington County Fire Department was excellent. There are many moving parts to an effective response to a terrorist incident. Each of us must have a good expectation of our own capabilities and a clear understanding of the roles and responsibilities of the different agencies.

In the final analysis, what transpired at the Pentagon under the circumstances was dealt with professionally and with the best of each of our abilities. We at the Arlington County Fire Department learned valuable lessons with regard to our own abilities and our limits. It is my hope that we can use those lessons to further a more effective preparedness approach.

In concluding my remarks, Mr. Chairman, in speaking with the overall federal terrorism preparedness effort, there is said to be over 40 different offices and bureaus involved in terrorism preparedness across the federal agencies. Though we have made great strides in our operational interaction with federal agencies, there is an urgent need for better coordination of pre-incident support and training programs.

I, personally, testified last spring before the House Transportation Committee on a piece of legislation designed to address this issue. A Senate companion bill, Senate Bill 1453, the Preparedness Against Terrorism Act of 2001, was recently introduced by Senator Bob Smith and referred to this committee.

This bill codifies the Office of National Preparedness at FEMA that President Bush created earlier this year. It creates a president's council that will be charged with the development of a single national strategy on terrorism preparedness that will include measurable preparedness goals.

We applaud President Bush's designation of Governor Tom Ridge of Pennsylvania as our new homeland security coordinator. However, it seems to us that Senate Bill 1453 could and would bring focus and legal authority to this new effort.

It is my understanding that the Bush administration had significant input into this bill, and I urge you to make whatever modifications are necessary to address Governor Ridge's role and to act favorably on the bill in sending it to the full Senate for consideration as quickly as possible. We owe it to our country to have the best coordinated comprehensive terrorism preparedness strategy that is possible.

Again, thank you for having me here today, and I will be happy to answer any questions.

JEFFORDS: Thank you, Chief. I'm going to ask all of the witnesses to testify, and then we'll have questions. And I assure you we have taken notice of your remarks with respect to what we should do, especially with the new role for Governor Ridge.

Captain Metzinger?

METZINGER: Good morning, Mr. Chairman and members of the committee. I'm Captain Jeff Metzinger. I'm with the Sacramento Metropolitan Fire District in northern California. I'm also a member of California's urban search and rescue team, California Task Force 7.

Like the others here, I'm also honored and very humble to be talking to you this morning representing the thousands of firefighters throughout this country who put their lives on the line every day.

We were dispatched to the World Trade Center on the morning of September 11th, as so many other teams were. I keep a journal with me wherever I go, and I brought it with me today, and I'm going to read some excerpts for you. It's a habit I've had for a long time, and I think there's some value in there.

I'll start out on Wednesday, September 12th. "We're finally leaving for New York City, and everyone is anxious to get to work. As we approach the Hudson River from New Jersey, you can see a large column of smoke coming up from the site where the World Trade Center used to stand.

"This is my first trip to New York City, and I feel sad by what I see. The traffic is incredible, even with a full police escort. The corners are filled with people, and we're just now a few blocks away from the large smoke column I had seen earlier.

"We arrived at the Javits Convention Center by 7 p.m. and set up our base of operations. There's other teams coming in as well, including teams from Los Angeles; Missouri; Indianapolis; Riverside, California; Pennsylvania; Massachusetts; and Ohio.

"Our 62-person teams divided into two teams, where we alternate 12-hour shifts, working 24 hours around the clock. I'm assigned to the Blue Team working the night shift.

"The first night on September the 13th, we loaded into the bus and headed into our sector to go to work. We met up with the Gray Team and did a pass-on of information and began to take a brief tour of the collapse zone along Church Street.

"The scene was surreal. There were people everywhere. Smoke continued to drift from the massive piles of rubble. The expanse of the disaster is difficult to comprehend.

"Several searches are conducted by our search dogs in the vicinity of Tower 7. The technical search cameras were also used, but we had no luck finding any victims.

"The following night, our team was working again looking for an assignment, and the dogs alerted in an area, but at a very dangerous location. It was too unstable to enter.

"That night, there was thunder, lightning, wind, and heavy rains pounding down upon us. Frequently, debris and large pieces of metal were blowing off the roof of adjacent buildings, and our task force leader determined it wasn't safe for us to go any further and lose any further lives.

"The next afternoon, we had a briefing from our task force leader at our base and were told that President Bush would be visiting our facility that day. I was privileged to meet and shake hands with President Bush, with Senator **Hillary Rodham Clinton**, and the governor and the mayor were also present. It was quite an experience, and their visit was very much appreciated by all.

"That night on the bus, we were headed back to work and saw hundreds of people lining the streets of New York City, cheering us as we go by. The traffic was so congested that we finally stopped the bus, got off and walked the last few blocks to the Church and Day command post.

"Tonight, our search team is finally getting to do some work, setting up a rope system to lower one of our members down into the debris crater near Church Street. An objective here is to place a cellular phone antenna down lower that might assist with victim location.

"The following night, we are headed back to work, and again people are lining the streets, cheering, waving flags, holding signs, and lighting candles. It was a sight that warmed us every night as we went in.

"This particular night, our search and rescue teams were assigned to search the buildings around the outer perimeter of the plaza area. There are several 30-plus story buildings around the World Trade Center plaza, and we conducted searches from basement to roof. Every door was opened. Every space was checked. We climbed the stairwells taking on one building at a time.

"We didn't find any victims. Every floor of every building we searched was marked and completed. The assignment took a large toll on our legs that night.

"On Sunday, during our briefing, we're told that three top New York fire chiefs were laid to rest that day. Firefighter chaplain Ward Cocraton (ph) said a prayer for the victims and for the safety of the team members that are still working here.

"Tonight, we're going to work between Buildings 5 and 6, possibly going underground. We hear that there's up to six levels below the street grade.

"We reported to the Church and Day command post that night, and I personally got assigned my first job as heavy rigger, which was my assignment with the team. Steve of Massachusetts Task Force 1 was there, and he and I worked with four New York City iron workers through the night, using a 90-ton crane, removing tons of debris all night long.

"The following day, we are back to work with the same crane and a new group of iron workers. We made a connection with some guys by the names of Mike, Rich, and Kevin. They're all great people. I found that the New York iron workers and construction workers were just incredibly great folks.

"We cut and moved tons of steel again tonight. In the middle of the night, I found a child's doll in the rubble, and I realize suddenly how much I miss my family.

"I heard our response team found a victim this morning, a police officer. Our hopes for a live rescue are starting to dim.

"The next day, we're back on the bus to the work site again, and I'm already tired. We've averaged about three hours of sleep per night. Even though we get time to rest, you can't sleep.

"Heading back to the crane, we worked all night again moving steel, looking for bodies. And I've noticed on several nights that there's very little debris that's recognizable. There's no desks, there's no chairs, carpet or sheet rock, or anything else you'd associate with an office building, just the steel structure. And there's still no victims in the area we're working in.

"On the 18th, we're back in the pile again moving steel and searching for victims. And, today, the smell of death is more evident. I found a business card of a man with an office on the 83rd floor of one of the towers, and I wondered what his state was at that moment. I said a prayer for him in hopes that he's alive and well, and I'm still not sure what his fate is.

"Around midnight that night, the crane operation was halted while they were moving in a larger crane. And while the crane was shut down, I joined forces with some New York firefighters. Two of the battalion chiefs were out there with their sleeves rolled up, working right alongside of us. We were moving debris by hand, and that was a very solemn night. I went home tired that day.

"The following day, Thursday, the 20th, we started heading home, packing our equipment. It's been a long 10 days, and everyone's exhausted. The team's physician has just diagnosed me with bronchitis. The dust we've been breathing all week finally caught up to us. Many others on the team have the same complaints of headache, sore throat, sinus congestion, and sometimes fever. But most of all, everybody's troubled that we didn't find any live victims.

"Finally, on Friday, we land back in northern California at Travis Air Force Base, and we get a full police escort all the way back to Sacramento. And every freeway overpass for 40 miles

was covered with fire engines, police cars, and citizens cheering us on. It was a warm reception.

"We arrived in Sacramento to a similar greeting of family, friends, co-workers, and media. And I realized then for the people of Sacramento that we were their connection to this tragedy on the East Coast.

"It felt good to be home. I felt like a part of me was still in New York, and when I go to sleep, I still dream that I'm there. It doesn't leave us."

I just want to close and say that the firefighters and law enforcement and EMS people are going to continue to be the first responders arriving at these incidents, and the toll is tremendous. The toll is tremendous on what I saw in the New York City firefighters, and for those of us who just came there and left, it took a toll as well, physically and mentally.

We owe it to ourselves to be prepared for future incidents and to take care of our responders to make sure that we are afforded everything that we can possibly do to be ready for the next one.

I appreciate the opportunity to share these thoughts with you, and I'm available for your questions.

Thank you.

JEFFORDS: Thank you, Jeff.

VOINOVICH: Mr. Chairman, do you mind if I just introduce Mr. Hessinger. He's from Ohio.

JEFFORDS: You may do that, yes, certainly.

VOINOVICH: Mr. Chairman and members of the committee, Ohio Task Force 1 is a designated FEMA emergency response team, and it's made up of volunteers from the fire departments across Ohio, and it's coordinated out at Wright-Patterson Air Force Base.

Mr. Hessinger is a logistics chief for the Ohio Task Force 1, and I think I'd like to underscore that in his regular job, he's a firefighter paramedic with the Kettering, Ohio, Fire Department.

VOINOVICH: He's also accompanied today by Mike Kinney (ph), who's a captain in the Dayton, Ohio, Fire Department, and he's also a member of Ohio Task Force 1, and we're very happy that you're here with us today.

Seventy-two members of that Ohio Task Force were mobilized just after the attack at the World Trade Center and were among the first out of state FEMA teams to respond to ground zero.

Robert, we're really happy to have you here with us today. Thank you for your service.

JEFFORDS: You have your friend with you, I guess?

Would you come up? Why don't you come up?

Mr. Hessinger, please proceed.

HESSINGER: Thank you, Mr. Chairman.

Committee members, distinguished guests, as Senator Voinovich pointed out, my name is Robert Hessinger. I'm logistics chief. And Mike Kinney (ph) here today with me is a rescue squad officer with Ohio Task Force 1. We were deployed to the New York City terrorist attacks on the World Trade Center September 11th, 2001.

I'd like to start by saying thank you for allowing us to share our experiences with you, and I hope you'll take what we say and continue to support the teams here.

Ohio Task Force 1 was established as a FEMA urban search and rescue team in the spring of 1997 and is located on Wright-Patterson Air Force Base in Dayton, Ohio. Ohio Task Force 1

was officially activated as one of the first three FEMA task force groups. It was our first national deployment, and we were activated at 1100 hours on September 11, 2001, to respond to New York City by ground mobilization.

The Ohio Task Force deployment was multifaceted due to our members' activity within the FEMA system. Our task force leader, James Gruenberg (ph), was deployed as a part of FEMA's Red Incident Support Team, which is the overhead team the chief spoke about, and our task force leader, Robert McKey (ph), was also deployed as a part of the Blue Incident Support Team.

Operationally, Ohio Task Force 1 arrived at the Jacob Javits Center in Manhattan, New York, approximately 6 a.m. on September 12, 2001, making the third FEMA urban search and rescue team behind Massachusetts and Pennsylvania. The primary mission of Ohio Task Force 1 upon arrival was to establish the rear base of operations we refer to as a BOO (ph). The task force also created two operational teams by splitting the members into daytime and nighttime operations, running a seven to seven shift, 12-hour operational periods.

At approximately noon on the 12th, Task Force Leader Moll (ph) became the daytime operation leader and proceeded to ground zero. The first operation was to set up a forward BOO (ph), and afterwards came a few missions confirming victims using canine teams and searching void spaces down on the rubble pile.

The first full operational period for the task force came on the day shift, Thursday, September 13th. None of the team members were ready for the magnitude of destruction and the size of the collapse.

Ohio Task Force 1 was given many missions dealing with technical search of void areas with search cameras, and the team's canine handlers could not keep up with the multitude of requests from division commanders and the workers on the pile alike. Task Force Leader Moll (ph) worked closely with the FDNY sector commander to coordinate sublevel void searches, technical rigging decisions, and structural evaluations by Ohio's structural specialists.

One of the missions included rigging a rope lowering system to penetrate a small opening in a collapsed stairwell to search a mechanical room four levels below grade. Mike Kinney (ph) was on that team to do that.

At this point, optimism within the team ran high due to the size and structural stability of those void spaces. The rescue team also attempted to rig another rope system to lower searchers into a void where previously a Fire Department of New York Ladder 6 personnel had survived the collapse.

The anchoring points were found to be inadequate in order to appropriately rig a lowering system. This was the first let-down the team had suffered and found it difficult to convey this to fellow FDNY firefighters. Continued missions to search void spaces turned up parking levels with thigh-deep contaminated waters and more void spaces without live signs.

Our mission to secure and remove impaled steel of the World Financial Building was changed by the Ohio Task Force structural specialists to securing the piece of steel directly to the main structure due to increased risk to rescue workers. This decision proved to be the correct one, and the piece of steel remained stable.

Day operations were also tasked with reconnaissance of the surrounding buildings. Teams climbed and searched multiple buildings, breached locked doors, and systematically marked cleared areas for a thorough search. A couple of searchers turned up citizens either not able to traverse the lengthy trip down the stairs or unwilling to leave their personal possessions after being so violently violated.

As FEMA use of our task force, we were given the task to support local jurisdictions in the mitigation of an overwhelming situation. The Fire Department of New York was placed in such a situation.

The FEMA urban search and rescue concept was alien to the workers we encountered due to the loss of the majority of the special rescue personnel within their fire department. As fellow firefighters, we offered special equipment, a fresh and educated set of hands, and a confidence the rescue was being accomplished to the best of our abilities.

Upon the last operational period, Ohio Task Force 1 stopped by Fire Department of New York's Rescue 5 to pay their respects and donate equipment that would aid in the rebuilding of this distinguished company. We hope this will somehow leave a lasting impression of the FEMA system and the first class teams that adorn (ph) it.

Ohio Task Force 1 was given demobilization orders on Tuesday, September 18th, with a departure date of Thursday, September 20th. The citizens and leaders in Ohio made the return trip a memorable one with police escorts, fire department apparatus lining the highways, citizens with banners on overpasses, and our families at Wright- Patterson Air Force Base.

The support Ohio Task Force 1 was given by the incident support teams of FEMA and the experts and guidance of those placed in charge of this tragedy were professional, no matter what the situation. Given this event, we commend all the men and women in those positions for an exemplary job.

Ohio Task Force 1 would like to thank FEMA, the state of Ohio, our families for all the support given to us over the years. We would also like to thank the Environment and Public Works Committee for your time today and continued support in protecting our nation.

May God bless all of us.

JEFFORDS: Thank you, and we all know how difficult it is for all of you to be here today to relive those very, very difficult days. I want to commend you all.

I also want to know what we can learn from your experiences. We have already had a discussion today about the communications systems and the need perhaps for more uniformity and the ability to make sure that you can move from one area of the country to another, as all of you did, and to be able to communicate.

Do you have suggestions or comments on any difficulties that you had or would have in the communications systems?

Chief Plaugher?

PLAUGHER: Yes, Senator. I had the privilege last week to testify in another Senate committee on this very same issue, the Commerce and Technology Subcommittee. And it is absolutely critical that this nation set aside a set of frequencies, a set of spectrum, for public safety use. It's just beyond me that it hasn't been done.

We are told, anyway, from the professional associations that, oftentimes, there's a debate between selling these frequencies on the open market to private industry or reserving them for public safety. And, for me, there is no debate.

JEFFORDS: Any other comments?

METZINGER: I'd like to say, too -- it's been addressed earlier -- at the federal level with FEMA, the current 28 teams that you now have in this country -- I think more and more now, we're finding that we're working together on incidents such as this tragedy in New York City and the Pentagon, and we could use more national training together. We frequently do our training locally, but we don't have the opportunity to train as a nation, as teams coming together. That would be really beneficial to us.

We've got equipment. We've got people. The one thing we need most is the opportunity to train and prepare for these incidents. It's where the big expense comes from -- is personnel cost. If you can continue to support -- to use our concept through FEMA and training dollars and helping us be prepared is probably as important as anything.

Along with that, there isn't a city or community in this country that probably couldn't use additional support for their own fire departments at home. We constantly struggle each year with budget cuts and competing with other entities in the city, the libraries, the parks, the school districts, and all are very important.

But this is one where people can lose their lives, and these people on the front lines are important to every community. And I think that the more support you can give to local resources, the better off we're all going to be.

JEFFORDS: I used to be a volunteer fireman, and I was alarmed to travel around my state a couple of years ago and to find out the cost to individuals to be able to volunteer, essentially, with respect to necessary equipment. Is that a national problem, and how do the small local governments provide the equipment for entering burning buildings and things like that?

METZINGER: It is a national problem. It's a problem that everyone faces. It's a matter of dollars, and if the money's there, there's no limit to what they can purchase or the training that they can do. We're often limited by how much we can afford to do, and that's a sad thing.

I live in a large community. Sacramento is the capital state of California, and in Sacramento, we basically have two haz-mat teams for a million people. We've got a community with over 50 fire stations, and we're stretching our resources to the limit, and I think we can improve on that.

Obviously, we're doing things now that we never thought we would do. When I entered the fire service 20 years ago, we fought fires and we helped people. And now, we're doing technical rescue, we're doing water rescue, we're doing hazardous materials, and we're doing advanced life support. We're dealing with natural disasters, like hurricanes and earthquakes, the run of the mill wild land fires, and now we're asked to deal with domestic terrorism as well, and it's just another thing on our plate, and we can only stretch what we're doing so far.

But we'll continue to do it. We're happy to do it. That's what we want to do. If you'll support us, we'll continue to do as good as we can.

JEFFORDS: Any other comments?

Mr. Hessinger?

HESSINGER: Mr. Chairman, I'd like to actually thank Senator Clinton and Director Allbaugh for their comments on the communications issue. We felt there were a couple of places where the deployment would have gone smoother -- although the Ohio Task Force -- this was our first deployment, and we had a -- operationally, with FEMA, we had a very good, positive outcome with the way things went through the FEMA systems and how immediately they dispatched the teams and responded.

But the communication is definitely an area that needs to be addressed, with better communications and ground transportation, convoys. When you get into some of the areas of West Virginia and Pennsylvania that we drove through, communications becomes difficult. It's a safety issue at night, in the middle of West Virginia, if you lose a truck behind you full of people who can't keep up with your convoy or breaks down.

The other issue that I was very glad to hear Senator Clinton bring up was the health concerns of workers onsite and after the activities. The Ohio Task Force has been in contact

with many of the other task forces with concerns of respiratory problems being faced by the workers returning home from New York City.

We have personally had five members with pneumonia. One has been hospitalized. I know the Sacramento task force was the other one hit hard with upper respiratory infections and pneumonia. And hearing that there is concern on this committee with acute and long-term health effects from this is very satisfying and makes us feel comfortable that this committee will see that the proper thing is being done for the workers after the fact.

JEFFORDS: Mr. Kinney (ph), do you have anything you would like to say in that regard?

KINNEY (ph): I'd like to reiterate what Mr. Hessinger said about the communications issue. I was charged with driving one of the vehicles, and it is an issue, the communication issue, between vehicles while you're in route.

Also, it was an issue being able to communicate back and forth from midtown Manhattan to ground zero. We were really unable to communicate back and forth. So if we needed something from our rear base of operations, we had to send somebody back, actually.

SMITH: Mr. Chairman?

JEFFORDS: Mr. Smith.

SMITH: Mr. Chairman, Senator Warner has to leave, and I'm going to yield part of my time to him for a question.

WARNER: I'll just take a piece. I have the Chief of Naval Operations up on the matters he's faced with waiting in my office.

I'm just going to go quickly to you, Chief Plaugher.

WARNER: You're the first responder in Arlington County. My estimate is there's about 40 different government agencies and cadres of employees scattered in 40 different locations.

We had here, most unfortunately, yesterday an anthrax situation. I'll just call it a situation. It's been fully publicized. You would be the first to respond, in all probability, to some of these outlying federal government offices.

Fortunately, here, we had in place expertise. I doubt if that expertise is five, 10, 15, 20 miles out beyond the Capitol.

What sort of equipment and expertise do you have to do on-scene ascertainment of the presence or absence, say, of an anthrax or a chemical or biological attack?

PLAUGHER: Thank you, Senator, for the question. The Arlington County Fire Department does, in fact, have a large federal presence in our jurisdiction. We've been working on terrorism preparedness for many years, and there are some equipment shortfalls that we have recently requested through some channels for support from Congress on.

But it is a complex issue, and as we are dealing with these anthrax issues or situations -- I think that's an excellent way to describe it, Senator -- it is the whole ability to maintain continuity, the whole ability to not let our way of life be disrupted, and that is all about confidence. That is all about us, as first responders, having the necessary equipment to go out and deal with the package, the letter, the document, the box, or whatever, and exude confidence that we have the ability to analyze it properly and then make the right decision for the general wellbeing of the public.

So we do need that capability. We do need a specialized...

WARNER: You have some capability now...

PLAUGHER: Yes, sir, we do have some capability.

WARNER: ... but you are indicating it has to be enhanced with other equipment.

PLAUGHER: Right. We do have some capability now, and we have requested...

WARNER: And I have your request here, and I will, together with other colleagues from Virginia, put that into the appropriate appropriations channel here.

I thank the chair. I thank Mr. Smith.

PLAUGHER: Before the senator leaves -- he was a major player in the fire act of last year, and I know that goes without saying.

But, Mr. Chairman, you asked a question about needs for volunteer fire departments or fire departments nationwide, and that \$100 million that was recently awarded to the fire services in the nation was a great start, but it does not meet our needs. We only funded six program areas this year, and there were 19,000 grant requests for those six program areas, totaling \$3 billion, and there was only \$100 million.

I know in my department, I submitted -- because you were allowed to submit for two -- I submitted for two grants, one of which was a cancer prevention grant for my department that would have allowed me to put my firefighters with a second set of turnout clothing so that they would not have to wear contaminated clothing in a situation like the Pentagon, because they would have had a set to be out to be decontaminated while they were working in the incident. And the second grant was for community public education in our wonderfully diverse community that we have in Arlington County, because we just simply don't have the resources to be effective with our diversity that we have.

Neither one of them were funded. Why? Because there's a huge need, because there are other volunteer fire departments out there that don't have one set of turnout clothing. We have simply got to fix what our first responders need in this nation.

Thank you, Senator. Thank you for your leadership last year.

JEFFORDS: Thank you very much, Chief, for sharing that information.

Senator Clinton?

CLINTON: Thank you.

I want to thank each of you for being here. I cannot tell you how much we appreciate your willingness to share your experiences and give us the benefit of your experience and your insight.

There are many specific issues that we need your help on. We've touched on some of those, the communications, the health follow-up, the additional funding into the fire act, a lot of very good ideas.

But I want to just ask, in addition to your being on the front lines, which you all have been -- and I remember meeting the Sacramento team and the Ohio team when I was there with the president, and I remember a number of you telling me you'd never been to New York before, and we were so grateful to see you then. In addition to your service, I know this is hard on your families. I know that it is a very big sacrifice when you go off to do the mission you're trained to do.

How are they doing? Is there more that we should do to try to support those who support you on the front lines?

Chief?

PLAUGHER: I think the families are part of the behind the scenes component that makes all of us successful. I know we're working real hard in our department to express our appreciation to the families.

We just had a simple gesture -- a picnic, where we invited all the firefighters and their families for a day, for an afternoon, to come and to share stories and to talk to our health

care professionals and to talk to other members of the department so they know that they're not in this by themselves. They know that there are other family members who went through the same thing, which is their husband or wife being gone for long periods of time, staffing fire stations, because while we were engaged at the Pentagon, we still had to provide services to the community of Arlington and its businesses.

So there was a great burden -- days. Husbands and wives didn't see each other for simply a couple of weeks at a time. So we wanted to thank them, and I think that's what this nation needs to do. It also needs to thank the families of the first responders.

CLINTON: Captain?

METZINGER: One of the things that they set up for us at the convention center was a phone bank. That was the first time I'd seen something like that. I've been at a lot of campaign fires with wild land incidents in California where I'm using my cell phone on a mountain top someplace trying to reach my family.

But we were able to call from that site there at any time day or night, and it was a great thing for us to have. I could call home.

One of the first things my wife asked me when I got back was how much longer was I going to do this. I said, "Well, as long as I'm a firefighter, probably."

And I remember while I was working at this particular scene on the picture here, working with those New York firefighters, one day we were working -- one night, actually -- and I looked down, and I could see 60 or 70 feet down through there. And I said, "Oh, my gosh. Come here and look at this, you guys." And two of them said, "No, I don't want to look. Don't even talk to me about it." I said, "Come here, look. This is interesting." And he said, "No." And the guy looked at me and said, "Why are you doing this? Why are you here?" I said, "Well, I'm here to help. I'm a firefighter."

He didn't know I was a firefighter, actually. He thought FEMA was some kind of a federal unit that came out of someplace. I'm not sure where. But it was interesting. In his perspective, he wondered why we were there, and I said just to help.

But our families were worried, of course, at home. Our particular department set up a hotline that they could call 24 hours a day and get an update on what we were doing.

And if other teams aren't doing that, I'd really suggest it. It was very helpful, and if they had a need, they could call someone locally. One of our chiefs came to our house and changed the smoke detector, and somebody else came and mowed my lawn, and our neighbors brought over food. It was really a nice thing.

Our communities came together across this country. The fire service usually takes care of itself. We're a family, unlike any other, I think, and it's pretty nice to see that that happened with this event as well.

CLINTON: Mr. Hessinger?

HESSINGER: Mr. Chairman, Senator, I think I would echo the thoughts of the captain here. The critical incident stress system that they've put in place for firefighters now has come leap years ahead now in the last probably five or 10 years, especially since Oklahoma City. I think, as he said, firefighters take care of their own while they're in situations like this, and we also had hotlines set up.

But just continued support of the critical incident stress system and the debriefings and continued debriefings for families who need it would be all I could see.

CLINTON: Thank you.

HESSINGER (?): I have a personal note. My wife and I -- I have a two-way pager, and every morning on the bus ride to work, I'd page her and talk to her on the Internet and (OFF-MIKE). So this was -- you know, it bonded me with her, you know, even being that far away.

Also, she attended last night a stress debriefing for the spouses for Ohio Task Force 1 members. I called her -- it was supposed to start at 7 p.m., and I called at 8:30 and 9:00, and she wasn't home until 10:00. And it was really kind of amazing to me that -- there were only three of them there -- they spent that much time with them. So it really meant a lot to her.

CLINTON: I really thank you. I thank you for your service, and I thank you for your commitment. I think that we have to pay more attention to the support systems that our firefighters and our first response teams need, both for themselves and their families in order to be able to address all of the demands that they're now facing.

Thank you.

"Nightline," ABC, 10/18/2001

KOPPEL: For a few hours today, the Senate was in session voting on a routine spending bill. And for part of that time, the junior senator from New York, Hillary Clinton, presided over a chamber determined to project an image of business as usual. It's an image that didn't bear close scrutiny. Senate offices were shut down forcing senators and those aides who reported for work to operate from cell phones and brief cases. Over the course of these last few weeks, Senator Clinton has made several visits to ground zero back in lower Manhattan. But these days, she, too, has been displaced from her office by the anthrax scare. We talked on a stretch of lawn between the Capitol Building and the Supreme Court.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): I think that we are engaged in a new kind of struggle with a very determined adversary who has studied us, who has taken advantage of our freedom, our openness, the kind of lives that we lead, who knows enough to target our media as well as our elected leadership. And we have to think in a very effective way, outside the box, about what we need to do to protect ourselves and to seek this network out and try to do everything we can to prevent it from disrupting and harming us. You know, there are a lot of fears that are legitimate concerns people have. We have to do a good job, number one, of providing information that is accurate and timely, so people can, you know, know what there is to be afraid of and what shouldn't bother them.

KOPPEL: Let me pursue that one with you for a moment because that's clearly one of the problems that we are facing in the media. Do we tell people everything that we know? We have to worry about telling people more than we know sometimes. In your position, you are going to learn some things which can frighten the public. Do you share that? In the knowledge that then we sort of draw on all the resources that we have around the country, or are there things the American public just cannot and should not know about what's happening?

Sen. **CLINTON:** I think you have to make a distinction between our military plans, our law enforcement activities to try to track down and arrest or end the terrorists' activities, from the kind of self-protective information that people should know about. You know, take this anthrax example. We know that anthrax is a dangerous substance, but that the more we find out about it, at least so far, the kinds of anthrax that have been used in these attacks are the treatable kind. So that people should not worry as much as I know that they currently are. And they should be realistic about their actual exposure. We have people, for example, who are really, you know, self-diagnosing and giving themselves antibiotics who have no known exposure, whatsoever. Now that could turn out to be a problem for them if they take antibiotics and build up some kind of immunity or resistance in the event that they

were to need them. So there's information out there that I think has to be shared with the American public.

KOPPEL: The public really has not been particularly well informed. I mean, the secretary of Health and Human Services went on "60 Minutes" just a couple of weeks ago and said, in effect, we are prepared for any contingency. Truth of the matter is, that is not so. We are not prepared for any contingency. Do you share that with the American public? Do you go into the details of some of the great dangers that face our infrastructure? In New York City, you face in your state, some extraordinary dangers that I know some of the officials of New York are reluctant to talk about.

Sen. **CLINTON**: Well, again, I would draw the line at information that the public can do nothing about. You know, it really doesn't help to sit around worrying about a contingency that, if we were to discuss it, might give ideas, not just to terrorists, but unfortunately, the copycat kinds of people who are out there with their own grievances and grudges. So I think that any time there is a piece of information, I try to evaluate it to the extent that if it's at all possible, my presumption is share it. Let people know about it. Give them that information.

KOPPEL: Do you have any sense of--of what kind of a war we are confronting here, of how long it's going to be, of how drastic it's going to be? Of how many more of these kinds of incidents, not necessarily anthrax, but possibly something we haven't anticipated yet? In all the conversations you've had, all the briefings you've had, is there anything that gives you a sense of the shape of this yet?

Sen. **CLINTON**: I think that what we've been hearing about the need for patience and a resolute commitment to action over probably a number of years is accurate. Very few countries have totally eradicated terrorism. We have been extremely fortunate that we have not had to live with it the way others have.

KOPPEL: We have crossed kind of a line, haven't we?

Sen. **CLINTON**: Yes, we have.

KOPPEL: I mean in terms of our vulnerability.

Sen. **CLINTON**: Yes, and I think that September 11th was a terrible abrupt dividing point. But we have to recognize that there are very clever, committed adversaries out there who are going to try to take advantage of any vulnerability they see. We are going to be plugging those one by one, over the next weeks and months. Will that give us 100 percent safety? No. But, you know, we didn't have 100 percent safety against Timothy McVeigh.

KOPPEL: Some of the local officials here in Washington were very upset, not with you folks on the Senate side, but with the folks over on the House side because they, in effect, withdrew in the beginning of next week. Symbolic acts are important at times like these. Talk about that for a moment and why--why these differing decision from the two sides of the Congress.

Sen. **CLINTON**: You know, I don't have any information about the House's decisions. I know in our caucus and really in the entire Senate, we had a bipartisan discussion of this. Our feelings, I think you could say, were 100 percent against shutting down. And there were many reasons for it. Some of it was the symbolic message that we--would be sent. Some of it was the work we have still to do. We have a lot of work ahead of us. But the unanimous decision that our leadership and all of us agreed upon was to keep going, to have, you know, business and to be on the floor, voting and introducing even new legislation. I just presided over the Senate for an hour where new bills were introduced and debated. I think that's so important.

You know, a lot of us have been going back and looking for examples. A lot of people have been quoting, you know, the battle of Britain. And I look at the terrorist attack on the Torrey convention in Brighton some years ago where, you know, there were--there were deaths and

injuries and great damage. You know, Margaret Thatcher, who you know, was noted for her understanding of the symbolic as well as the substantive, you know, put on her earrings and did a better job with her hair than I usually do, and marched out to give her speech.

KOPPEL: Senator Clinton, good of you to take the time and which tree are you setting up shop in here in...

Sen. **CLINTON**: I'm going back inside the Capitol, actually.

KOPPEL: Good for you.

Sen. **CLINTON**: Yeah.

KOPPEL: All right.

Sen. **CLINTON**: Thank you, Ted.

KOPPEL: Nice to see you.

U.S. SENATOR JAMES JEFFORDS (I-VT) HOLDS HEARING ON INFRA-STRUCTURE SECURITY, 11/1/2001

CLINTON: The hearing will be begun. And I turn first to our ranking member, Senator Smith.

SMITH: Thank you very much, Madam Chairman. I appreciate that.

Again, I did speak privately to the witnesses, but I want to apologize for having to make a brief statement and then leave. I'm going to try to get back. But we have -- I think at this point, 2 o'clock, I have three things going on at the same time. And one thing none of us have been able to learn to do around here is to be at the same place at the same time.

But I want to thank Senator Jeffords for conducting the hearing. The attacks that we all endured on September 11, and basically continue to endure ever since, have left this nation with a number of questions dealing with preparedness and security measures. But I think I have talked to almost each and every one of you personally, and I want to compliment all of you for the job that you're doing and will have to continue to do. It's not going to be easy.

As we read the papers, we hear more and more anthrax turning up in different locations in the country. And we did hear from Director Allbaugh a couple of weeks ago about the emergency responders and about the response in New York and the Pentagon and what lessons were learned.

And today, we take the next step. We want to consider whatever we can do to help you do your jobs better in legislative proposals. I think, obviously you can't sit around and wait for every legislative proposal. You have a job to do, and we understand that. But we want to try to help you in every way that we can to be better prepared should the unthinkable happen. And that's the spirit, I know that Senator Jeffords would agree, the spirit of this hearing.

There's a number of agencies within our jurisdiction that do play vital roles, in addition to your own. And I'm pleased that all of you could be here this afternoon. Assistant Secretary Sampson -- Dr. Sampson joined me about a month ago, I guess it's been, in New Hampshire. It's actually more than that because it was before -- yes, it was -- before September 11 -- to discuss economic development options in some of the northern communities in New Hampshire.

It's amazing how your priorities have changed as a result of -- we thought we had some terrible problems up there with the mill closing, and they are bad. But little did we know

that very soon after that how serious we were going to have -- what problems we were going to have.

A couple of weeks ago I did meet with Mike Brown of FEMA to discuss some of the terrorism legislation and various pieces of legislation. And I want to thank all of you for working so closely with me on issues of importance not only to New Hampshire but the nation.

Look forward to hearing your thoughts. And I'll read them even if I'm not here to hear them. And -- at what needs to be done. There are a lot of bills out there to try to help. I don't -- I have some. I don't claim to be the authority on all of them. But we want to get the dialog started and the debate started. And I hope you will all, at some point in the future, offer your views on these bills regarding such things as coherent national strategy, federal coordinating and planning.

We heard Director Allbaugh talk about the fact that we need to -- what's the word I want? -- the band of communications. That this is a big issue on how we communicate in a time of emergency. Everybody's on a separate radio band. And we had a meeting in New Hampshire with the governor about this issue. And that came up that that was -- they were very concerned about that. And so, I think that's one that we're going to have to address.

So, I know Senator Clinton, as well, has been working hard on legislation dealing with small businesses and others that were right there in the eye of the storm.

So I thank you again, Mr. Chairman, for conducting the hearing. I apologize to you and the witnesses and my colleagues for having to leave.

JEFFORDS: Well, I'm sorry, but I didn't get here either. So you don't have to apologize. I'm apologizing to you.

SMITH: Well, you know, I really was inclined to grab that gavel, but Senator Clinton got it before me.

(LAUGHTER)

JEFFORDS: Well, I should have known I shouldn't have been concerned about not being here. But anyway...

(LAUGHTER)

Actually, I got caught up in the -- we had for the luncheon speaker the head of NIH who was telling us all about anthrax and who ought to be in charge. So I got a little carried away. I was listening, and suddenly I was reminded that I wasn't where I was supposed to be. So I apologize for that. But here I am, and I'll make my opening statement now, and we'll get on. OK.

I want to -- especially want to thank the witnesses from the various federal agencies for appearing here today and look forward to hearing from all of you.

Tuesday night I watched game three of the World Series. I watched the game, I was hastened by the pictures of -- heartened by the pictures of faithful fans cheering their beloved teams. And a tattered flag flapped in the breeze in the outfield, the same flag that had been pulled from the rubble of Tower Two three days after the World Trade Center disaster.

During the seventh-inning stretch, the anthem, "God Bless America" replaced the familiar refrain of "Take Me Out to the Ball Game." And on the field in storied Yankee Stadium at the grand old city, two teams competed in the fall classic.

And as I marveled at the sights and the sounds, I was overcome with the feeling that our collective efforts as a nation, we will overcome this very sad chapter in our history.

But the healing journey will not be an easy one. Many additional responsibilities have been thrust upon each of us by this change. A successful journey to recover will require citizens

and communities across America to come together to lend a helping hand and to strengthen the feeble knees.

Where we take our journey together as a nation, we must not forget the horrible events of September 11 or the people directly affected by those attacks. It is in this spirit that we gather here today to discuss various legislative proposals to aid the victims of these very tragic events.

I would like to acknowledge Senator Clinton's tireless efforts to address and to anticipate the needs of citizens affected by this tragedy.

You've done a great job, and I'd like to let everybody know.

The senator has listened to her constituents. She has worked with the city and the state officials, and she has put forward credible proposals worthy of our serious and expedited attention. I trust that we will have a candid and forthright discussion of these proposals.

A successful journey to recovery will also require improved critical infrastructure security. Just yesterday, I heard about a recent event at the Florida medical -- chemical storage facility which underscores this point.

I was alarmed and, quite frankly, a bit incredulous to learn that only a few days ago, a significant quantity of lethal pesticide, methyl bromide, was stolen from a Florida chemical storage facility. Apparently, the thieves absconded with the poison through a hole cut in the facility's fence while security personnel stood guard. How could this happen? This is unacceptable. We must act.

I applaud Senator Corzine for recognizing the need for improved chemical site security and for introducing legislation to attempt to remedy the problem.

You arrived right on cue. Thank you.

(LAUGHTER)

I look forward to an open and honest debate on the subject. And I look forward to a meaningful discussion on how we can improve the security of our nation's water supply, nuclear facilities and federal buildings.

And I also want to thank my good friend, Senator Smith, and his staff for the help and cooperation over the last several weeks. We have traveled together to the World Trade Center. We have seen the devastation. And we share a commitment to help this nation heal.

Speaking to a group of young Americans just after the turn of the 20th century, Mark Twain advised, "Always do the right thing. This will gratify some and astonish the rest."

As this legislative session draws to a close, let this committee do the right thing. Let us work in a bipartisan and timely fashion to aid victims of the recent terrorist attacks on our soil and to take the necessary steps within the committee's jurisdiction to improve the nation's critical infrastructure security.

Our national journey to recovery may be a long one. But if we join together as an American family, I am confident we can make it.

Thank you very much. And we will now proceed.

Senator Clinton?

CLINTON: Thank you, Mr. Chairman. And I thank you and your ranking member and your staffs for the extraordinary support, both personally and officially, that you have provided to New York and to me.

And I'd like to thank all of the agencies represented here who have done a very, you know, commendable job in working to ensure that we recover and rebuild after the horrific attacks on our nation.

I have to say that we in New York -- and there is a delegation of business and labor and elected officials who have been making the rounds, talking to senators and House members on both sides of the aisle -- are in an awkward and somewhat challenging position.

On the one hand, we are resilient. The Yankees are going to win the Series again.

(LAUGHTER)

And everyone is doing their very best to have the stiffest possible upper lip in the face of the extraordinary damage that we have suffered.

But if you go back to ground zero, you know that the fires are still burning. The impact of the devastation is beyond our understanding and very difficult for us to fully calculate even at this time. We have almost 1 million tons of rubble still awaiting removal, despite the extraordinary efforts that have already been undertaken to remove tens and hundreds of thousands of tons. And we know we're in for quite a long recovery period.

CLINTON: In speaking with many of my constituents, there are a number of issues that I have raised, and I appreciate very much the work that some of you have done in a short period of time to respond to these ideas, because there are gaps that are difficult for us to fill under existing legislative authority. And I have no pride of authorship, I'm just looking for solutions.

And if we can enhance discretionary authority, if we can create new vehicles by amending the Stafford Act or looking at EDA or CDBG more creatively, we can solve these problems. That's what we're looking for.

I just want to quickly run through four that I have seen.

One is that, now that people are coming out of their shock and denial, we're faced with a lot of very serious issues concerning the children who have been directly affected.

I have proposed creating a children's coordinating office within FEMA to pay particular attention to the needs of children who have lost one or both parents. We are only now beginning to assess what that would include, whether there would be need for mental health services, guardianships, temporary care services. But clearly, we need more of a focus so that we particularly pay attention to children who don't have adult representatives or advocates that can really speak for them.

The second issue is to track the health of the victims, volunteers and workers who have been exposed to harmful substances. This would amend the Stafford Act to allow for this kind of health protection assessment and monitoring.

We have been monitoring the air, and I'm very confident that the results that we're getting, which demonstrate that there are not broad-scale problems with the air, are absolutely accurate. But no one argues that right there on the site there are problems, and those problems are intense.

And we've had some people working in that rubble now for nearly two months. And they have worked, they've worked day and night. Many of them have been exposed to the air. We're not hearing colloquially referred to something as the "World Trade Center cough," because it's been reported that 11,000 firefighters have worked at ground zero. Almost 4,000 are being treated with steroid inhalers for severe cough.

Under the amendment I have proposed for the Stafford Act, FEMA would carry an outreach, education protection and monitoring program based upon a determination by the president that harmful substances have been released into a disaster area.

We need to track these workers. We need to get the best possible baseline, and then we need to act to help them with their health issues.

The third is an unemployment assistance bill, which would extend unemployment assistance under the disaster as provided by the Stafford Act for an additional 26 weeks, for a total of 52 weeks, for any individual to receive DUA as a result of the attacks.

Thousands of individuals have become unemployed because their businesses no longer exist or, frankly, their businesses, even if they're up and going, are not only in a disaster zone but in a crime-scene zone and people can't get to them because of the police barricades and the difficulty of knowing what streets are open, when.

Currently, nearly 25,000 individuals have applied for disaster unemployment. The applicants are expected to grow. We have to really take care of these people. That's something that I feel very strongly about, to help them go through this transition, hopefully by some other means, get these businesses up and going, and they can return to work.

And that brings me to my final proposal. I believe we should establish an office of World Trade Center attack claims. We did lose nearly 25 million square of office space. We've displaced 850 businesses. We've displaced over 125,000 people. And access has been denied to 9,000 other businesses partly because of the crime-scene designation and the debris removal effort.

Senator Schumer and I are introducing this bill to help address the needs of businesses that frankly can't apply for the existing SBA loans. They don't know they're going to be in business in six months. Even if it's a zero-percent-interest-rate loan, they don't feel that they can sign for it.

And this proposed office of World Trade Center attack claims is modeled after, though much more narrower, than the Office of Cerro Grande Fire Claims that was created in response to the New Mexico fires last year.

The Cerro Grande model has been proven to work. As of this past August, the Office of Cerro Grande Fire Claims has processed and awarded more than 13,700 claims, totaling over \$207 million.

Based on the lessons we've learned, we've worked significantly to limit the scope of this proposed office both in terms of eligible claimants and eligible injuries for reimbursement. This obviously would come if we were to authorize it out of the \$20 billion that has already been set aside and supported by the president for disaster recovery and assistance efforts.

We'd be seeking to use between \$1 and \$2 billion of that \$20 billion for this office. By comparison, \$450 million was appropriated for the Cerro Grande Fire Claims Office.

I believe that these steps are very important and help to bridge some of the authorized authority and plug some of the gaps that we have found now that we're on the ground trying to help people exist.

And I very much appreciate the extraordinary help we've received from the staff of this committee, Mr. Chairman. They've really helped us work through this. And I look forward to hearing from our witnesses any way that we can either, within the existing legislation or through the ideas I'm proposing, help create some solutions for the problems that we still find.

Thank you very much.

JEFFORDS: Thank you for a very excellent statement.

Senator Corzine?

CORZINE: Thank you, Mr. Chairman.

I, too, want to congratulate you on holding this hearing on economic recovery and infrastructure security. There is hardly anything that captures the public's imagination, save anthrax, I think, more than making sure that we put in proper position the everyday lives that we are now operating with.

And, you know, this has obviously taken a huge toll, as Senator Clinton has talked about, at the epicenter of this in New York City. And I support wholeheartedly all of the efforts that are now working their way through our processes here to make sure that they're appropriately addressed.

But I do want to make sure that people also understand that there is a metropolitan community surrounding New York City, and a number of the communities in northern New Jersey, in particular, are deeply impacted with regard to human loss. And certainly some of the economic issues that Senator Clinton outlined have major impact on small business, in particular, in our communities.

The federal government has a large role to play here. FEMA has done an outstanding job in spearheading this, but some of the rules that surround FEMA don't bite necessarily effectively with regard to a number of the problems that have come up, whether it's in New York City or small businesses on the west side of the Holland or Lincoln tunnel that are impacted almost as seriously by the lack of attention that comes out of the way that the Stafford Act is structured.

And I think there is real need for us to go back and parse through that to make sure that necessary changes are put in place to deal with a different kind of attack, just as we're dealing with a different kind of war.

And I certainly intend to support Senator Clinton's and the chairman's proposals in this regard. And I look forward to working with them and staff to make sure that they truly meet the needs of post-September 11.

With regard to infrastructure, as I said, I think this is one of those things that the public is looking to all of us as public officials to bring greater elements of security to potential targets. And whether that's our water systems, nuclear power plants, chemical facilities, natural gas pipelines, whatever the issues that could be specific vehicles for terrorist attack, I think we are remiss if we don't make sure that we have in place the kinds of quality checks and balances to make sure that these are secure.

In that vein, yesterday, along with partnership of the chairman and Senator Clinton, I had introduced legislation that addresses one of these problems, which is a serious issue before we contemplated terrorism, and that is threats to our chemical processing and distribution infrastructure, which is a serious issue.

We've had a number of tragic accidents in New Jersey itself through history that have cost life. And there -- a very recent example in France, which cost almost 180 lives, I think make very clear that this is something that needs to be addressed.

I think our legislation, working with staff, has been able to come up with an act that I think will be not too heavy-handed but definitely proactive in moving us forward. And I look forward to working with the chairman and the committee to make sure that we get this in ship shape and forward.

Again, I think what you are doing here and the kinds of suggestions that are here in the committee are terrific steps forward and do a lot to bring both public confidence and also deal with the enormity of the tragedy that occurred September 11 in New York City.

So thank you for having this, and I look forward to hearing from the witnesses and appreciate their efforts in preparation.

Thank you.

JEFFORDS: Thank you for your excellent statements.

And I also want to thank my staff who have put together the hearings today and are moving us into this very important and essential area.

I also want to thank Mr. Brown just especially. I had the opportunity to work with you and all of the FEMA staff both at the Pentagon and back in New York City. And the amazing cooperation I found, which is so much due to your leadership of the coordination of the local communities as well as the federal, it was just a wonderful experience to watch you all operate. Appreciate that.

BROWN: Thank you, Mr. Chairman.

JEFFORDS: Mr. Brown, please proceed.

BROWN: Thank you, Mr. Chairman, Senator Corzine, Senator Clinton. I am very pleased to be here this afternoon on behalf of Director Albaugh.

Today I want to reiterate a couple of points that the director made during his testimony last month. And the first one is probably most important, that you just alluded to just now, Mr. Chairman, and that is the incredible cooperation that we're getting from all of our federal partners, the other agencies.

And I want to take just a moment away from my prepared text and just say a short comment about the extraordinary cooperation that I think that we're getting from the members of the legislative branch also.

I know I have met with Senator Clinton and the New York delegation, and I would like to extend that invitation. We ought to do that more often I think, Senator. It helps us figure out what the problems are that maybe we're not getting addressed, and gives us time to go back and figure out ways to get those addressed. So to the extent that we can continue to do that, I think we ought to do that.

Senator Corzine, I would add that I've had conversations just today with Governor Ridge about some issues that have arisen in New Jersey. And again, I think it would be helpful if we just got together and talked some time about some of those issues and how we might address those.

BROWN: Because I think they're really issues that we can resolve just by getting together and talking face to face and saying, "What are you hearing out there that maybe we're not hearing in terms of the disaster field office?" And if we can do that, I think it can resolve a lot of problems.

But the second point that I want to make, just to return to my prepared remarks, and that is that I think oftentimes we take for granted one main point, and that is the Stafford Act actually does work. The legislative framework that this committee has provided to us really provides us the necessary tools to carry out both the response and recovery mission of the agency and, in particular, in response to the attacks of September 11.

Just briefly, some of those authorities give us the support for the urban search and rescue task forces, which I think we all agree have done an incredible response in New York and at the Pentagon.

It allows us to mission-assign other departments and agencies to take care of activities that need to be taken care of that perhaps the other departments and agencies aren't entirely focused on, allows us to coordinate those quickly and efficiently.

It allows us to provide temporary housing assistance. It allows us to rebuild the public infrastructure.

It allows us something that we often take for granted, we don't think about often enough: It allows us to provide crisis counseling for those who have suffered, and it allows us to assist

those state and local governments who have given everything they can and yet are losing so much.

Those particular authorities, I think, absolutely empower FEMA to do the job that it needs to do in responding to all types of disasters, whether or not they're manmade or natural disasters.

As we look at particular changes, I want to thank Senator Smith, who has now left but I'll pass it on to the staff, for all of their effort to help us with the Office of National Preparedness and actually taking some of those authorities and putting them into law. We appreciate both the intent and the spirit of that legislation, and we thank the ranking member for his help in that regard and look forward to working with him in the future on that.

FEMA is uniquely suited to work closely with state, local and tribal (ph) governments to ensure their consequence-management planning, their training and their equipment needs are met. FEMA and its Office of National Preparedness will continue to support the Office of Homeland Security and Governor Ridge in those efforts.

I want to call the committee's attention to the technical amendments we transmitted to the committee on September 21. We believe those are modest changes that will improve our ability to carry out our job in responding to all types of attacks.

Over the past several days, we have looked very quickly, I might add, very quickly at a lot of legislative ideas that have been drafted. We do understand and we appreciate both the good will and the sound purpose of the authors of those amendments and the intent of those amendments. To the extent that we can, we should use current federal authorities and programs before creating new or duplicative efforts.

I don't want any of my comments, though, to be taken in the wrong context. I think we all agree we're here for really three purposes: How can we help? How can we do more? And what can we do better? And to that extent we want to work as closely as we can with you in resolving any problems that are outstanding.

One bill would require FEMA, in coordination with the FCC and the Department of Defense, to conduct a study to determine the resources that are needed to develop an effective communication system for the use of emergency response personnel during disasters.

Clearly, we have no objection to this concept. Director Albaugh has testified, and we've spoken to many members of the Senate about the need to get a coordinated response system that allows us to communicate across all types of systems.

The only thing I would ask the committee is to consider the time frame in which we do that study and, of course, the resources needed to conduct that type of study.

Another bill under consideration would establish within FEMA the Office of World Trade Center Attack Claims to reimburse individuals and businesses that were injured by the Trade Center attacks on September 11. The draft legislation would establish the center and would require the director or an individual claims manager appointed by the director to reimburse claimants for losses suffered as a result of the World Trade Center attacks.

We believe the Stafford Act already contains a broad range of authorities that were triggered by President Bush's declaration of a major emergency. Nevertheless, it is clear that the draft legislation would cover a substantially broader range of injuries and losses than FEMA is currently authorized to address under the Stafford Act.

As you are aware, Congress recently enacted the Air Transportation Safety and System Stabilization Act. Title IV of that particular act authorizes the Justice Department to provide compensation to any person or relatives of a deceased person who was either injured or killed in the September 11 attacks.

Although the draft legislation creates a claims office within FEMA to provide assistance to a broader range of claimants than is currently provided by the Air Transportation Safety and System Stabilization Act, we are concerned about creating a separate claims office within FEMA.

We might recommend that before this legislation proceeds further, we consider the idea of placing some of that claims processing within the Justice Department rather than FEMA because of some of the programs they're currently administering.

In addition to our concern about potentially duplicative claims processing authorities, we believe it may be preferable to consider legislation in this situation to authorize additional flexibility within the Stafford Act as opposed to a different claims office. Again, the intent is, we agree, we ought to make certain we're taking care of all those victims, let's just figure out the best track to do that.

Another of the bills that I would like to address would amend the Stafford Act to authorize the president to appoint a children's coordinating officer whenever an emergency or major disaster has caused children to lose or more custodial parents.

In every disaster, FEMA is concerned about the effects that these events have on children. FEMA is already authorized to provide crisis counseling assistance to disaster victims. We administer this authority by funding the states' cost of administering counseling services.

New York's application addresses the need to provide counseling services to children who have been suffered and affected by the attack. According to the New York Office of Mental Health, these activities are being provided through outreach programs, through education and other existing children's services to those children who have suffered tragically by this attack.

In addition, and a point I don't want to gloss over too quickly, but FEMA's Disaster Legal Services Program can provide direct assistance to children who have lost parents in a disaster.

I just met with that group during the ABA convention in Chicago a few months ago, and I'm pleased to say that I think they're an incredible group of young people from the Young Lawyers Division who are concerned about providing guardianship advice, providing any sorts of advice that these children may need in terms of providing legal services that they might need to get the services provided by other agencies or departments.

The proposed amendment to Section 410 of the Stafford Act would extend the availability of disaster unemployment assistance an additional 26 weeks, up to a full year, for individuals who are already eligible for such assistance. FEMA routinely tasks the Labor Department to administer this authority on our behalf, and Labor does so in conjunction with its administration of its generic unemployment assistance authority.

Most individuals who become unemployed as a result of a presidentially declared disaster qualify for the unemployment assistance that the Labor Department administers under its own authorities. The unemployment claims that have been filed in the aftermath of the attacks are being paid by the Labor Department under the general unemployment assistance authorities and under the disaster unemployment assistance provision of the Stafford Act.

Because of the uniqueness of this situation, the administration does support a 13-week extension of the availability of unemployment assistance benefits for qualifying individuals as a result of the attack, both under the Labor authority and the DUA provisions of the Stafford Act itself.

The final draft bill that I would ask to address in this hearing would amend the Stafford Act to authorize the president to implement a program to protect the health and safety of

emergency-response personnel in the aftermath of the disasters which have caused harmful substances to be released.

FEMA routinely calls on the Environmental Protection Agency and the Department of HHS for expertise in accessing these types of concerns in the aftermath of disasters. This system has worked efficiently, and we therefore, are not aware of any need to amend the Stafford Act to address this issue.

But to the extent that there are issues on the ground at ground zero that need to be addressed, we want to address those promptly and efficiently.

Finally, the committee letter mentioned a need to amend the Stafford Act's temporary housing authority to increase the amount of funding that may be provided to repair ownership-occupied housing that is damaged in a major disaster.

There is a new provision in the Stafford Act to take effect in May 2002 that would impose a \$5,000 cap on this form of temporary housing assistance.

In previous correspondence, we have asked the committee to amend this provision because of the unintended severe hardship on disaster victims with the lowest incomes and the most significant disaster impacts. While the cap does not effect the response in New York, we continue to urge the committee to make this technical amendment before the cap takes effect in May.

BROWN: In closing, I just want to add, despite any differences that might exist about technical amendments, that might exist about some of the legislation that's now before this committee, FEMA is absolutely committed to sitting down with each and every one of you to find out where those needs are not being addressed and how can we address those under the existing authorities. And if we can't, then let's work on some existing -- or work on some new legislation.

But to that extent, I'll be happy to answer any questions that the committee may have down the road.

JEFFORDS: Well, thank you very much.

BROWN: Thank you, Mr. Chairman.

JEFFORDS: Mr. Moravec, I enjoyed meeting with you last week. And we had an interesting discussion. And I'm sure you're going to cover some of those issues in your discussion today. And so, please proceed.

MORAVEC: Good afternoon, Mr. Chairman and members of the committee. I am Joe Moravec, commissioner of the Public Building Service. Thank you for the opportunity to discuss improving security in GSA-owned and -leased facilities.

We have had an ongoing effort to improve our security measures. In addition to our own initiatives, H.R. 307 was introduced in January of this year to provide for the reform of the Federal Protective Service and to enhance the safety of federal employees, the public and children enrolled in child care facilities located in facilities under GSA's control.

A significant proposal in H.R. 307, the establishment of the Federal Protective Service as a separate service from PBS, did not have support from GSA nor the Senate. The principle reason we oppose making the Federal Protective Service a separate service within our agency is that it would divorce security from other federal facility functions when the opposite needs to be done.

Security needs to be tightly integrated into decisions about the location, design and operation of federal facilities. Divorcing FPS would create an organizational barrier between protection experts and the Public Building Service asset managers, planners, project managers and facilities managers who oversee the daily operations in our facilities.

A separate GSA security service would lead to confusion about who was responsible for what in GSA's security efforts. It is also contrary to agency efforts to present our customers with a seamless GSA capable of offering more integrated workplace solutions.

Last year, the Senate Transportation and Infrastructure Subcommittee recommended the establishment of direct line authority within PBS. The administrator subsequently reorganized the Federal Protective Service and reassigned the reporting authority to the Federal Protective Service assistant commissioner in the central office.

Under direct line authority, PBS has made substantial strides in fulfilling our mission to reduce the threat to federal facilities under GSA control nationwide.

The Federal Protective Service budget, personnel actions and operational focus have been centralized to yield results better than that which could be obtained by establishing a separate competing service.

Leading the Federal Protective Service is acting Assistant Commissioner Richard Yamamoto, who is here with me today. Mr. Yamamoto is a graduate of the FBI National Academy with over 20 years of law enforcement experience in the U.S. Army. He also spent seven years coordinating joint federal, state and local law enforcement activities through the High-Intensity Drug Trafficking Areas Program at the Office of National Drug Control Policy.

Not only does Mr. Yamamoto possess extensive law enforcement and security skills, he also has been designated as a certified protection professional, which is one of the premier accomplishments in the field of security.

Within Federal Protective Service, we are developing and requiring both law enforcement and security core competencies for all of our operational managers. While most of our current managers have federal, military or local police training and experience, those who do not have law enforcement training will be sent to the Leadership Academy law enforcement course at the Federal Law Enforcement Training Center in Glynco, Georgia, to attain these necessary skills.

Specifically, addressing the proposal in H.R. 307 that there should be at least 730 full-time equivalent FPS police officers, we believe that FTE levels should not be based on an arbitrary number set forth in legislation, but rather on the threat that may vary from time to time. FPS regularly conducts individual facility security surveys and regional threat assessments to determine the threat to federal facilities. FTE requirements are based upon these threat assessments.

Specifically, we are increasing the number of our criminal investigators and uniformed law enforcement security officers who have both law enforcement and security competencies.

That concludes my prepared testimony. I am, of course, available to answer whatever questions you may have.

JEFFORDS: Thank you very much.

Dr. Sampson?

SAMPSON: Chairman Jeffords, members of the committee, it's a pleasure to be with you today.

The administration and the Department of Commerce and the Economic Development Administration are committed to the economic revitalization of the New York economy. As you're aware, the administration is providing considerable funding for efforts that are under way to promote the city's recovery and economic revitalization.

And in this context, this means that we are developing a multi-prong approach at getting people back to work and businesses, both large and small, back on their feet as quickly as possible.

The Economic Development Administration has contributed to previous disaster response efforts and has the statutory authority to assist communities in long-term economic recovery efforts. We participated in those recovery efforts dating back to 1969 and Hurricane Camille. We play a supplemental role to the lead role played by FEMA, SBA and other agencies, including the Department of Transportation and Housing and Urban Development.

Let me speak just a little bit about the redevelopment strategy as I see it.

While it is important the federal, state and city governments move as quickly as possible to address the economic impacts in New York City, it's also critically important that economic revitalization efforts be based on a sound understanding of the New York City economic landscape, both prior to September 11 and post-September 11 to ensure that federal efforts are truly market-based and phased appropriately in light of the projected time line for clearing the World Trade Center site.

The administration is committed to taking a thorough, comprehensive and coordinated market-based approach in addressing New York's immediate and long-term economic recovery efforts. And to this end, we believe it is vitally important to work not only with state and city officials but also with New York's business leaders.

With that in mind, last week several senior administration officials met with New York City business leaders and the New York City Partnership, the leadership of which includes CEOs of some of the global businesses headquartered in New York.

The New York City Partnership has commissioned seven of the world's leading consulting firms, including A.T. Kearny, Booz-Allen, Baine (ph), Boston Consulting Group, KPMG McKenzie (ph) and PricewaterhouseCoopers, to assess the economic impact of the World Trade Center attack on New York City and identify investment priorities for renewal.

Based on our conversations with New York City business leaders, my sense is that the most urgent need is to focus on recovery of businesses in the collateral damaged area because ground zero cleanup is probably a year away.

The best information that I have seems to indicate that there are approximately 5,000 businesses directly affected in New York City at ground zero, as well as the cordoned off areas that Senator Clinton mentioned earlier. Approximately 4,000 of those are small businesses that previously employed about 77,000 people. These are the most vulnerable businesses.

Because of the indeterminate extent of the New York City recovery plan and time line, it is evident that loans will not be the most appropriate vehicle in support of these businesses. And they can only be retained by some sort of grant program.

To that end, the director of Office of Management and Budget, Mitch Daniels, earlier today announced the release of additional funds from the emergency supplemental appropriation that New York can use for such grants to businesses.

The administration is currently providing significant funding to New York through a variety of agencies, many of whom are at this table today. And the administration is looking at a range of existing government programs for a comprehensive solution.

The administration is focused on ensuring that economic recovery funding is effective and truly focused on rebuilding New York City's economic infrastructure in order to get people back to work and businesses up and running again as soon as possible.

I believe that working together in this fashion with the private sector as a very important part of that, we will not disappoint those who need the assistance of an effective, coordinated federal, state and local response to rebuilding the economic infrastructure.

And of course, I'd be pleased to answer any questions that the committee may have.

JEFFORDS: Thank you very much. Very helpful.

Mr. Meserve, pleasure to be with you again, too.

MESERVE: Thank you, Mr. Chairman and members of the committee.

I am pleased to have been invited to appear before you on behalf of the United States Nuclear Regulatory Commission. I will discuss programs related to safeguards and security for NRC licensed commercial nuclear facilities, as well as actions that NRC and its licensees have taken in response to the terrorist acts that occurred on September 11.

I have submitted a longer statement for the record. Allow me to provide just a brief summary.

The NRC response began immediately after the September 11 attacks. Within 30 minutes of the plane strikes, we activated and staffed the NRC Operation Center at NRC headquarters and the Incident Response Centers at NRC regional offices. And we began close coordination with the FBI and other intelligence and law enforcement agencies, our licensees and various military, state and local authorities.

Shortly after the attacks, we advised all our major licensees to go to the highest level of physical security, which they promptly did.

We have provided continuing oversight and advice to our licensees since September 11.

As of today, the NRC and our licensees are still in a heightened state of security readiness. Our headquarters operations center and regional response centers are fully staffed 24 hours per day, seven days per week. We are prepared to make adjustments to security measures as circumstances warrant.

NRC activities related to domestic safeguards and security and emergency response can be grouped into four categories:

First, developing and implementing requirements for safeguarding nuclear facilities and materials and inspecting for compliance with those requirements.

Second, assessing the threat environment, including the international environment insofar as it has implications for domestic threats.

Third, maintaining and coordinating emergency response capabilities.

And finally, providing physical security for NRC employees and offices.

Beginning in the late 1970s, the NRC established requirements to safeguard civilian nuclear power plants and fuel facilities. The result is that nuclear power plants are among the most hardened civilian facilities in this country. The NRC inspects these facilities to verify compliance with NRC requirements, to assess licensee safety performance and to enforce our regulations.

In the aftermath of the terrorist attacks on September 11 and the continuing uncertainty about future terrorist intentions, the NRC is undertaking a comprehensive review of its safeguards and physical security program. We currently are interacting with the FBI, other federal law enforcement and intelligence organizations, the military, and the newly established Office of Homeland Security so that necessary changes to our programs consider pertinent information from all relevant federal agencies.

We also are reevaluating the agency's ability to communicate with the press, the public and interested parties, regarding information relevant to security and physical protection of our licensees.

As the commission conducts its comprehensive reassessments of plant safeguards and security, we recognize that specific legislative needs may become apparent. In the interim,

the commission on June 22 submitted legislative proposals to your committee that we believe we need now.

Specifically, we are seeking legislation that would amend the Atomic Energy Act to enhance the protection provided by guards at designated NRC licensed nuclear facilities; to criminalize sabotage of nuclear facilities during their construction; and to make clear that the unauthorized introduction of weapons or explosives into nuclear facilities will be subject to significant federal criminal penalties for the individuals involved.

I might add that we submitted that legislative proposal well before September 11.

We have also recently developed a fourth proposed statutory change. We seek to confer upon guards at NRC-designated facilities the authority to possess or use weapons that are comparable to the Department of Energy guard force's or other federal protective forces.

In closing, I would like to reiterate that the NRC had a strong security and physical protection program in place prior to September 11, and we are building on that strong foundation. We look forward to working with the Congress to address our mutual concerns and determine where the assets of our nation are best deployed to fight the terrorist threat.

I appreciate your invitation to appear here today to discuss the NRC's programs. And of course, I am prepared to respond to your questions. Thank you.

JEFFORDS: Well, thank you. And we'll have questions, I assure you, and look forward to working with you.

Mr. Mitchell, you've had a tough time, I know. This is not something that you experience very often and -- obviously, to be facetious. But appreciate all the work you've done. Please proceed.

MITCHELL: Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, my name is Herb Mitchell. I am the associate administrator for Disaster Assistance, and I'm appearing on behalf of the agency in the absence of Administrator Barreto.

We thank the committee today for allowing us to come and just share with you what SBA's role has been, not only in all disasters, but particularly in New York City. SBA continues to play an immediate and major role in providing disaster assistance loans, not only for businesses, but for homeowners and renters as well.

While certainly the disaster in New York is different in scope, but it does provide us with the same opportunity to assist in the immediate recovery of New York City, the region and the nation as a whole.

In this disaster and all disasters, we have experienced a great deal of cooperation within the federal family with FEMA. We certainly, in the past, have worked with EDA and HUD in terms of economic recovery in disasters all around the country.

FEMA certainly serves as the coordinator and the one-shop stop to ensure that those that are in need of disaster assistance has one place to come. And at that point, all businesses are referred to SBA for assistance.

Since the afternoon of September the 11th, the SBA has been in lower Manhattan working with FEMA, state agencies to coordinate our response to the recovery effort.

SBA has since deployed 94 people to New York City to complement our staff in Niagara Falls where the actual processing has taken place with about 200 employees there as well. We certainly have employees around the country that are available to us in the need to supplement that staff in Niagara Falls.

SBA's disaster program is the primary federal program for funding recovery for private-sector disaster victims. The program provides low-interest loans not to exceed 4 percent to

applicants without credit available elsewhere, and a higher rate at 8 percent -- not to exceed 8 percent for those who do have credit available elsewhere.

We offer loans to repair real and personal property for homeowners, business loans to repair the property that's lost by the businesses in New York, economic injury loans to provide working capital to sustain those businesses until they are able to return to normal operations.

And a recent addition has been the military reservist loan program where the small businesses around the country that are impacted as the result of a key employee being called to active duty, those businesses that are impacted economically are also eligible to apply for working capital assistance.

To compliment the programs that SBA has available, we've been working with the New York State's Empire Development Agency and several financial institutions in New York where we have -- actually the city of New York and the state, along with these financial institutions have set up bridge loan and gap loan programs.

The bridge loan program is intended to provide those businesses with immediate assistance until the SBA application process is completed. And then at that point, we're able to pay off those loans to the bank.

The gap financing is intended to address those needs that the SBA loans do not or are unable to address either because of size limitations or because they may not fall within the eligibility criteria. The gap financing that the lenders are providing will certainly try to address those needs.

MITCHELL: As of October 31, the SBA has made almost 1,000 loans for \$82 million.

Historically, under the disaster program, our assistance has been limited to the declared disaster area. In this case, it would be New York City and the immediate area and the state of Virginia as well. But because of the unprecedented nature of this attack and the widespread economic impact that has caused around the country, SBA, working with the administration, has expanded the economic injury programs around the country to allow those small businesses that have been impacted by the terrorist attack or subsequent federal action, most of which have consisted of closure of airports and security measures along the border -- for those small businesses that have been economically impacted as well, regardless of where they're located, to apply for economic disaster loans.

Mindful of the nature of the businesses located in lower Manhattan, the administration has also submitted to, one, increase the size standards for businesses in New York City, to address the need where we find there are a number of small businesses or medium-sized businesses, based on our current size standards, would not qualify for the working capital assistance.

We've also proposed legislation that would allow financial service organizations and non-profits to be eligible. Historically, these categories or industries have not been included in the assistance for working capital assistance.

Also, recognizing the tremendous need in New York, we are also proposing that we have the authority to raise the \$1.5 million loan cap that's currently in place, to increase that to \$10 million.

SBA's disaster loan program is also complimented by our regular loan programs and the technical assistance programs that we're able to provide through our resource partners, including the Small Business Development Centers, the Woman (ph) Business Centers, the Business Information Centers and the Senior Corps Retired Executives, which have all been brought to bear in providing assistance to businesses in the New York City community.

We look forward to working with you, with all of you, to help the citizens of New York as well as those around the country that refuse to let terror destroy what we have collectively worked to build.

In closing, I just simply want to share with you -- while Administrator Barreto and I were in New York on our first visit, we met a business owner -- and just share with you what he told us at that time. He said the terrorists tried to declare victory by destroying the World Trade Center, but insisted they would not score second victory by closing his business.

This is the patriotism and this is the spirit that we've seen every time we visited New York. There were business owners there that want to get back in business. They simply want the customers to return so that they can get on with their lives.

I would be pleased to answer any questions that you may have. Thank you.

JEFFORDS: Well, thank you, Mr. Mitchell.

Ms. Savenko (ph), please proceed.

SAVENKO (ph): Mr. Chairman and members of the committee, thank you for the opportunity to discuss the Environmental Protection Agency's role in domestic terrorism preparedness and, more specifically, the agency's role in protection of the nation's water resources.

The tragic events of September 11 have raised valid concerns over our nation's vulnerability to terrorist attack. As a nation, we are scrutinizing our efforts to prepare for and prevent terrorist threats. Realizing that we must always remain vigilant to new threats and must always be ready to respond, the agency welcomes the opportunity this hearing offers to examine these issues.

My testimony today covers four major areas: EPA's role in counterterrorism preparedness and response before and after September 11; a specific discussion of drinking water protection related to the September 11 attack; EPA's overall protection of our nation's drinking water; and the critical federal coordination needed to meet the counterterrorism challenges that we face.

The National Response Team consists of 16 federal agencies with responsibilities, interests and expertise in various aspects of emergency response to pollution incidents. The EPA serves as chair and the Coast Guard serves as vice chair of the NRT. This partnership includes such federal agencies as the Agency for Toxic Substances and Disease Registry, Department of Defense, Department of Energy, the Federal Bureau of Investigation, FEMA and key non-governmental organizations.

Our federal partnership sprung into action on September 11. Before the second plane had struck the World Trade Center in Manhattan, EPA headquarters had already begun coordination with our New York regional office to address the crash of the first plane.

Ten minutes later our EPA headquarters had linked all of our East Coast regional offices to begin coordination in support of the New York response effort. EPA's emergency response program was present on site in New York, Virginia and Pennsylvania within hours of the four plane crashes.

Throughout the response effort, EPA worked in coordination with our federal partners to monitor and protect human health and the environment from potential hazards associated with the three crash sites. At both the World Trade Center and the Pentagon, EPA provided monitoring for various air contaminants.

For example, EPA and other federal, state and city agencies have taken literally thousands of samples of dust, air, drinking water, storm water runoff and river sediments in and around the World Trade Center site. We have tested for the presence of pollutants such as asbestos, lead, volatile organic compounds, dioxin, benzyne, metals, PCBs and other chemicals and substances that could pose a threat to the public and workers at the site.

Fortunately, EPA, OSHA and others have found no evidence of any significant public health hazard to residents, visitors or workers beyond the immediate World Trade Center area. And despite recent press accounts which suggest otherwise, these findings have not changed.

In addition to our monitoring activities, EPA assisted in removal of cleanup of dust and debris from the streets using vacuum trucks, and we provided rescue workers and others in site with protective gear and health and safety recommendations for the difficult conditions on site.

Regarding water concerns associated with Manhattan, EPA collected and tested water at several distribution points. Following several days of heavy rain immediately after the incident, we collected water samples from storm sewers and surface runoff to determine if potential contamination from the site was entering the Hudson or East Rivers. All samples of water, which were tested for a wide range of contaminants, have levels below the federal standards.

Recognizing the need to ensure appropriate coordination of water security activities, EPA has established a water protection task force that will guide efforts on long-term drinking water, infrastructure protection and waste water treatment infrastructure protection.

The administration has requested \$34.5 million as part of the terrorism supplemental appropriations for support of vulnerability assessments for drinking water systems, and \$5 million for state grants for drinking water counterterrorism coordinators to work with EPA and the drinking water systems.

With EPA's support, the Sandia National Laboratory of the Department of Energy, in partnership with the American Waterworks Association, is developing a tool kit to assist drinking water systems in conducting vulnerability assessments and identifying remedial action. We expect training on these resource to be available later this month.

As an interim measure, EPA has disseminated a fact sheet that outlines measures utilities can take immediately to protect their drinking water supplies. Issued through state drinking water program managers, this document should now be in the hands of every public water system.

As this tool kit is being developed, the American Waterworks Association Research Foundation is dropping additional more detailed training materials that will provide step-by-step guidance to drinking water utilities on conducting vulnerability assessments, identifying remedial actions and strengthening their emergency operations plans. Formal training sessions that will take utility security officials through the first steps of their vulnerability assessments will begin in December.

As EPA continues to strengthen its counterterrorism program by building on the existing National Response System, the agency is involved in a variety of other activities with federal, state and local officials.

EPA is requesting \$5.5 million in the terrorism supplemental appropriations to establish and equip a West Coast environmental response team similar to the East Coast team that exists in Edison, New Jersey, and that has been so instrumental in assisting at the World Trade Center.

In the 10 EPA regions, the agency's first responders are the on- scene coordinators. The OSCs have been actively involved with local, state and federal authorities in preparing for and responding to threats of terrorism.

EPA's OSCs located throughout the United States have broad response authority and a proven record of success in responding rapidly to emergency situations.

We're expanding work with the state emergency response commissions and the local emergency planning committees to help them incorporate terrorism response issues into

their existing emergency plans. And we're working closely with the Office of Homeland Security to develop long-term agency response plans for terrorist attacks.

Finally, Mr. Chairman, I would like to say a word about the anthrax situation that we face here in the District of Columbia, in Florida and in New York.

The agency is receiving an increasing number of requests to provide assessment, sampling and cleanup assistance at anthrax- contaminated buildings across the country, many very close to home here in this hearing room.

The dilemma we face is that the Superfund statutory language that allows us to respond to these biological releases also limits our ability to recover our response costs. To the extent these activities will continue, they will have an impact on our Superfund cleanup activities later in the year in many parts of the country.

Finally, Mr. Chairman, I would like to emphasize that the administrator, Governor Whitman, has made very clear to the entire agency that there is no higher priority than ensuring that ensuring EPA's mission to protect the environment and public health is a broad umbrella that encompasses homeland security.

The expertise and experience the agency has developed over 30 years is poised to assist and support the hard work Governor Ridge and this Congress will be doing.

Clearly, the administrator is adamant that EPA's efforts to help secure the safety and integrity of America's water supply an infrastructure must be undertaken with great speed, energy and attention.

Deadlines that were established before September 11 are no longer appropriate. We have no time to waste in completing this work, and we intend to devote the resources necessary to make certain that it is done quickly and properly.

Governor Whitman, myself and our professionals throughout EPA welcome the opportunity to work with you, our colleagues in Congress, your professional staff, and with Governor Ridge and the Office of Homeland Security to protect and preserve the health and well-being of every American citizen.

Thank you.

JEFFORDS: Thank you.

Thank you. Very excellent statements from all. And I deeply appreciate all of the effort that's gone into your testimony for today.

I'm going to change the ordinary procedure and, in view of -- we have two people, two senators here from the areas that experienced it and allow them to ask questions first, before I do.

CLINTON: Thank you very much, Mr. Chairman.

And let me thank all of the witnesses for your testimony and your extraordinary response to our needs.

Mr. Meserve, I look forward to seeing you next week, and so I will hold my questions about nuclear security. I've got some that I will submit to you in preparation for our meeting. And I thank you very much for your testimony today.

Mr. Mitchell, I understood you to say that you were submitting legislation with respect to the size requirements and to raise the loan caps. And does that request go to the Small Business Committee?

MITCHELL: It has gone -- my understanding, it's gone up as part of the administration's request, as part of the additional supplemental. I'm not sure what particular appropriation it actually will be attached to, but it's certainly been -- we've submitted that.

CLINTON: Well, that's very good news, and I thank you for that.

And perhaps we could check into that, Mr. Chairman, find out if it's not part of the SBA responsibilities under the Stafford Act that, wherever that authority resides, we could perhaps help to expedite that so that more companies will be able to take advantage. And I greatly appreciate your sensitivity to the difference in size issues in New York.

I also want to thank both Mr. Brown and Dr. Sampson for your understanding of the particular issue that we're confronting, which is trying to allow direct payments to private businesses so that, as Dr. Sampson reported from his meetings with a lot of our business leaders, they can get back on their feet more quickly.

And I was with Director Daniels earlier and appreciate his announcement of what the administration is trying to do through CDBG. I hope though that we will continue to work together to try to figure out how to get this done right in the next several weeks.

There are some real problems with moving through CDBG. We have tried CDBG in the past with direct payments. In other disasters like Oklahoma City, it's my understanding that it took a year. There was a lot of bureaucracy. The agency that administers it, HUD, is not used to this kind of expeditious necessity that grows out of a disaster. And I think that we could perhaps slightly structure it differently or look for ways of getting the money out more quickly.

I know that both Senator Schumer and Congressman Walsh, because of their committees of jurisdiction, will be working with the administration to try to determine how best to do that. But I think I would like to, you know, offer that we keep looking for the best way to achieve this.

Finally, after looking through many different options, you know, we concluded that the Cerro Grande model would be particularly helpful. And I'd appreciate both of you responding to that.

Mr. Brown?

BROWN: Well, the Cerro Grande model is, as you know, an incredibly good model. It's been proven to work. We got the money on the ground very quickly, very efficiently. I hope GAO agrees with us in the future that we did it appropriately, but I think we did it quickly and efficiently.

There are some differences though. And I do not want this to sound crass or inappropriate, but in Cerro Grande, it was federally- caused disaster, and here we have a terrorist-caused disaster. And while that shouldn't impact our decision to try to get money on the ground in New York as quickly as possible, the basis for the models is different in that Cerro Grande as in response to a federally-caused disaster.

So that's just the difference I think we ought to be aware of.

I think there are ways to take the Cerro Grande model and what we're doing now in Sante Fe and apply it in the Stafford Act now. There may be some regulatory changes that would accomplish the same thing without actually creating the office. But in all honesty, Senator, it's come on us so quickly we haven't really set down and analyzed that. I would just lay it out on the table that's something I would like to do is go back and say to the director and to our staff, "Is there some way regulatory that we can accomplish the same thing without creating a separate office?"

CLINTON: I really appreciate that offer, Mr. Brown, because I think we're all trying to get the...

BROWN: Exactly.

CLINTON: ... solution, and we're concerned that the CDBG model has some built-in problems. One of our -- my Republican colleagues in the House came up to me after

Director Daniels announcements and said, "How are we going to make sure that they don't just run it through the same old political system that they've had before? We'll never see that money, or at least in any expeditious way."

So that is our goal, is try to figure out how to streamline this and maximize the return. Because what -- we had one of our executives who was with us today was representing CitiGroup, and he told us that they're processing about \$800 million worth of private insurance for about 16,000 businesses. He says the vast majority of those businesses, even with their insurance proceeds, are not going to keep their doors open; they just can't figure out to make it an economic go under the circumstances.

But if they could get some bridge help through grants like this and we get through with the crime scene problems, which are such an impediment. And you know, I keep mentioning it, because I've been to lots of disasters. You know, we were with Senator Lott and he said that he and I having had experience in Tornado Alley, we're well aware of disasters, but this is a massive disaster with the layover of the crime scene, and businesses can't get customers.

So, you know, we're just struggling for creative answers. And I appreciate greatly the distinction that others have drawn between the Cerro Grande model, saying that the federal government had caused that.

CLINTON: And I mentioned that to some of my business executives. I said, "Well, you know, the difference is that the federal government caused the fires." And this gentleman said, "Well, does that mean if, you know, if Mohammed Atta had been a federal employee, we'd get the claims office?"

And you know, it's a very chilling kind of question because, you know, we need the money now and however we get it out -- and one of our problems is the timing. You know, Congress is moving toward adjournment. If we don't get the authorizing legislation or the regulatory changes, then the appropriated dollars that will come from the promised money that the president has, you know, stood behind, and as Director Daniels again reiterated today, the \$20 billion, won't be able to be allocated. So that's the urgency that we face.

And so I would like to work with Dr. Sampson and Mr. Brown particularly to see if we can't come up with, you know, a model that -- through regulatory or statutory changes, through this committee or others -- we can push this through.

I also wanted to ask -- Mr. Brown, when you said that you've agreed to the 13 additional weeks on unemployment insurance, is that in addition to the 13 weeks that have already been declared so that we have a total of a 26-week extension now?

BROWN: That was my understanding, it's now a full 26-week extension.

CLINTON: Would this only apply when your other criterion is met, a 30 percent increase in the unemployment rate since September 11?

BROWN: I'm not aware of the answer to that. Let me ask one of the experts. Do we know that answer? We're not familiar with that. We'll find out, Senator, and let you know.

CLINTON: Because we know that we've already gone up from 5 percent to 6.3 percent.

BROWN: Right.

CLINTON: And, you know, I think that the 13 weeks is great and welcomed news. I mean, we're still of the opinion that we need an additional 26 weeks on top of that. But we're going to work with you on that and I'm very grateful for your support.

And I also appreciate your reviewing of the health tracking legislation, because I'm very concerned about our World Trade Center cough. You know, I mean, we're worried that the men on the pile are injuring their health while they try to continue to do the work we're requiring to be done, and so we need to work that out as well.

But I appreciate greatly the extraordinary cooperation, and if we can, kind of, have a sense of urgency to try to figure out what regulatory and statutory changes we need, we then can get into this process, the sort of authority that's required.

Dr. Sampson, did you want to add to that?

SAMPSON: Yes, Senator. I concur and am very sensitive to your concern about delivering funds through the same mechanisms that may delay. I think that there are some very intriguing models that we became aware of in visiting in New York and with New York's business leaders. And I think one of the opportunities, through the CDBG program, is perhaps creatively to channel some of those funds through preexisting business-based organizations that have a protocol in place, to assist these businesses that have a very extensive volunteer network based on a work force that's being provided by all of the banks in the area, to assist these small businesses.

So I think there are some creative ways to be able to get that money delivered much more quickly than perhaps traditionally is done.

CLINTON: That would be great, because the Downtown Business Association, which I think was represented at your meeting, is...

SAMPSON: Yes, ma'am.

CLINTON: ... a very competent organization. If we could bypass the usual, you know, bureaucracy which, frankly, has a different set of criteria -- they usually work with low- and medium-income people, predominantly low-income people in different settings than what we're facing now -- if we can get that money out and get it to some of our voluntary associations who know how to run lean and effective programs, that would be a big help.

SAMPSON: I think that's very promising. We'd be happy to work with you and explore that.

JEFFORDS: Senator Corzine?

CORZINE: Thank you, and let me once again, compliment all of your agencies for, I think, outstanding work in a time of crisis for our country. And so if the questions don't match those words, I think that's the primary message that I want to get across, but there are...

(LAUGHTER)

... occasionally things that I think we can learn from some of the issues.

Let me start with Mr. Brown. The New Jersey, at least, senatorial delegation has a call into the director to try to set up just the meeting that you were talking about. And it's not because there hasn't been cooperation, it's just that enough time has gone by that we know the things that we need to work on.

BROWN: Senator, just let me say, he's going to be out of pocket for another five to seven days for a personal health matter, and so I would just suggest that perhaps your staff get a hold of the director's office again and let's get that set up immediately. Let's don't waste any more time.

CORZINE: Most of the issues that resolve or evolve from New Jersey is right from the centerpiece of major disaster declaration versus emergency declaration. And while -- and I think there's an important issue here that goes at the heart of the Stafford Act.

It may be hard to actually designate New Jersey, even though it has enormous loss of life and real impact, within the context because it doesn't meet some detailed definition or standards, but by any normal human standard, the kind of loss of life you would think would lead to reactions that are similar to any other area, and it just happens to be that we have a river running between the two states. We call them the New York Giants but they play in the Meadowlands, and that's really symbolic of what the nature of the neighborhood is.

And I think that there are a number of things within the Stafford Act, starting with how you deal with the declarations, that end up dictating terms. And this is certainly one that I want to talk about specifically as it relates to a number of issues that flow specifically. I won't tie up the committee with respect to those, but they're really quite serious in application.

I would mention which I think also relates to New York and another of others is the issue of straight time plus this overtime repayment. A number of the emergency personnel and police forces -- it is how resources are allocated that sometimes is the issue, not whether there is overtime payment actually going on with respect to law enforcement and other facilities.

CORZINE: And I forewarn you that I will be at the second or third point of a meeting, but I think it is equally true for New York City and New York state and New Jersey and a number of people that are involved in anthrax situations and others with regard to needs that I think need to be addressed within the context of FEMA reimbursements. And I think it's actually quite a significant issue.

You know, I listened to the conversation -- I think it was you, Dr. Sampson, that said there were 5,000 businesses south of Canal Street and 4,000 of them small business. And I think it's remarkable, Mr. Mitchell, that we have 1,000 loans outstanding and \$82 million, and there is a disconnect with 4,000 businesses and 1,000 loans for small business when undoubtedly the need is really quite great. And while I don't have as much information on this as I do on some of the hurricanes that have come along, this is a cumbersome process, not because anybody intends it to be, but because it is.

And I think, within the context of the FEMA response in disaster areas, we need to expedite this process. And while I like some of these models, I am of the "keep it simple stupid" stage with regard to how we deal with getting money into pockets of people who don't have business interruption insurance, don't have the sophistication to deal with a lot of the either applications or even interfacing with CitiCorp to try to get some of these loans. And I think that there is real need for examining the Stafford Act within these contexts.

I wish I were smart enough to tell you all of the ways that that should be done. I don't think it's ill will on anybody's part; I think it's just a very complicated process. And I hope that we will step back and move.

And I compliment EPA for the creativity of tapping the Superfund site to get money into certain pockets that wouldn't naturally tie, and I certainly would encourage that here with regard to small business in Lower Manhattan. I'd like you to think about the west side of the river on some of those places as well.

But these are desperate times for those companies and time is their enemy as much as the issue with respect to access at loans. And I think actually grants are more appropriate since it's a national disaster and not something that anyone could have legitimately planned for.

I would say that I also, Mr. Chairman, think if we took a tour of EPA's testing facility in Edison, we would find that it is in a 1942 barracks, refitted for laboratories, and there are more trailers than there are buildings in the process. And if we expect our people to do timely and adequate work, I think we have a real obligation to understand what it is we're investing in the facilities to be able to generate the kind of response that I think we need. And I really would encourage, whether it's formal or informal, a review of how this is all put together. People have done an outstanding job at EPA to do what they have done.

I think I'm going to stop there. is so much to learn and so much that I think we need to do, but time really is an enemy of recovery, because a lot of people will lose their ability, if not their will, to survive in these times. And I look forward to working with the chairman on a number of these issues and making sure that we replenish that Superfund site since New Jersey has 115 Superfunds.

(UNKNOWN): Senator Carper, I...

SAVENKO (ph): We're more than pleased, Senator Corzine, to -- Mr. Chairman, Senator Carper, to come up and brief you on what we're doing and some of the challenges that we face.

JEFFORDS: I appreciate that. I would give you a shot. I waited for my questions for the last because I have a rather long list and the senators from the area I let go, but if you want to have a comment now I'd be happy to accommodate you.

(UNKNOWN): Thank you very much, Mr. Chairman. I'll not be long.

I don't watch much TV but every now and then I catch a commercial that I especially enjoy. And I had the news on this morning and there was a commercial that was, sort of, a band that looked like KISS, the rock group KISS, in concert. Then, after the show, they're back stage and the (inaudible) guy walks in and he says, "I smell world tour. I'm going to take you guys and make a fortune going around the world." And then they start taking off their costumes and they're not KISS at all; they're some other group. And the guy says, "Who are you guys?" And one of the fellows says, "Well, I'm just nobody special, but I did stay at a Holiday Inn last night."

(LAUGHTER)

It reminded me of another similar commercial. Same company, and it was a situation of a nuclear power plant and the place was just about to have meltdown and the alarms were going off. And this one guy, kind of, takes charge right in the middle of everybody and he's sitting there eating a jelly donut and just telling everybody what to do, what to shut down and all. And after he gets everything under control, everybody turns around and says, "Well, who are you?" And he says, "Well, I'm nobody special, but I did stay at a Holiday Inn last night."

So this is a question involving nuclear power, not jelly donuts, not KISS, but nuclear power. What if a terrorist strikes one of our nuclear power plants and the guy that was in that commercial isn't around or there's nobody there to stay at the Holiday Inn last night? How do we react? And how do we make sure that a terrorist attack doesn't somehow spill over and cause the kind of calamity that we all know that it could?

Just put us at ease, Mr. Meserve, if you will and tell us how we're preparing for that eventuality and what we're going to do.

MESERVE: Well, let me say, I think it is very easy for people to have a lot of dramatization about nuclear power plants and fortunately the reality is quite different.

MESERVE: Before September 11, we had in place a very serious capability at nuclear power plants in order to provide security. And that includes basically a perimeter defense system, detection systems for intruders, heavily armed response forces who are also well trained, defensive positions that are within the facility that are armored in order to be able to respond to various kinds of attacks and, of course, a whole defensive strategy.

We inspect the facilities to verify that the facilities have the capacity to be able to defend themselves against what we call a design basis threat, which is the regulatory obligation that every power plant have a capacity and demonstrate the capacity to defend against certain kinds of attacks.

Since September 11, we have required that all of our power plants go on to a heightened security status. The details of what that has meant you'll appreciate are ones that we are not advertising and do not advertise publicly. It's classified information.

(UNKNOWN): We don't want to know.

MESERVE: But that basically involves an enhancement of the kinds of things that I've described as part of the capability: increased number of guards, increased weapons, increased patrols and control posts.

I have also communicated, after September 11, with the governors of 40 states to make sure that those states were aware of the nature of the defenses at the facilities and aware of the limitations of those defenses, in the event that some extraordinary attack were marshaled, that there would be state assets that could be provided. And as a result of that, at most of the sites today there is assistance being provided at the perimeter of the facilities typically by local law enforcement, by state police and by National Guard.

We have also had extensive interaction with other agencies of the government, including the military, to assure that there is an awareness of the limitations of the defenses at the facilities and the need, perhaps, under some circumstances for federal assets to be provided.

So that there is an awareness throughout the government of these plants and what they can and can't do. I think we have taken every reasonable and prudent action to assure that the nuclear power plants are capable of defending themselves against the circumstances in which we now find ourselves.

(UNKNOWN): One more follow-up on that, Mr. Chairman, if you don't mind.

JEFFORDS: Yes.

(UNKNOWN): The law which deals with the insurance for -- Price- Anderson, which I believe is up for reauthorization this year...

MESERVE: That's correct.

(UNKNOWN): ... how does the need for reauthorization of Price- Anderson -- how is it affected, if at all, by the kind of threat that our nuclear power plants might be under?

MESERVE: Well, the Price-Anderson Act covers a large number of different kinds of facilities, including Department of Energy facilities. With regard to the existing nuclear power plants, the Price-Anderson protections will continue on even if the Price-Anderson Act itself terminates. So with regard to existing power plants, there is no effect on the liability and protection scheme that is established by that statute.

If there were to be new construction, the failure to have a Price-Anderson Act would mean that the new plants would not have the benefit of that statutory system. So if there were to be new power plants, there's a need for reauthorization.

There is also a need for reauthorization in light of the Department of Energy facilities. But the demand is not there because of a pressing need for existing power plants.

(UNKNOWN): Are there some proposals that have come to your attention to build some new nuclear power plants in the next couple of years, or at least to start that process?

MESERVE: There is serious evaluation that is under way by the generating companies about the prospect of new construction. No one has come to us and said that they assuredly will file an application. But this is an area in which there is interest.

And the reason is really I think quite simple to see; it's that the existing nuclear power plants have really established quite an extraordinary record of both economic performance and safety performance over the last couple of decades, steadily improving performance. One of the consequences of that is the that production costs for nuclear power plants, as such, that they are now the cheapest form of electricity on average that's on the grid today.

MESERVE: So that has meant that, if you're a generating company, you're interested in those types of assets.

(UNKNOWN): OK, thanks very much.

And, Mr. Chairman, thanks for letting me go ahead of you.

JEFFORDS: Thank you.

(UNKNOWN): And inject a little humor into this serious deliberation.

JEFFORDS: Thank you. It's always a pleasure to have you with us.

Ms. Savenko (ph), have there been any studies pertaining to the health effects of human exposure to chlorine dioxide gas? I have staffers who are pregnant and staffers who suffer from asthma who work in the Dirksen Building, which joins Hart. Can you assure me that their health will not be compromised by these remediation activities?

SAVENKO (ph): Mr. Chairman, that's a common question that we are hearing from folks on the Hill whom we are briefing on our proposed remediation plan for the Hart Building.

And a couple of things I'd like to say to put their minds at rest about our plan.

JEFFORDS: That's why I'm asking it. Thank you.

SAVENKO (ph): Absolutely; very valid concerns.

First of all, the actual chlorine dioxide gas itself will only be present in the building during very limited times during which we have the building sealed off and access to the Dirksen Building sealed off. And the Dirksen Building itself will be empty during that period. So there will be no human exposure to the chlorine dioxide gas during the period with which we propose to remediate the building.

The gas itself decomposes relatively quickly. In fact, it will be a challenge to us to make sure that we keep it active long enough at levels that are appropriate to remediate the anthrax spores, and then we will scrub the building and make sure that it's completely safe, both from the standpoint of no gas being present and also no spores being present, before anyone is allowed back in the building.

The gas itself decomposes to relatively harmless salts, and, in fact, it's commonly used today in a number of commercial settings such as sanitizing bakeries or dairies or other places, used on computer equipment and many household products and food products. And, in fact, we're exposed to this pretty ubiquitously in the environment because it's used so commonly today.

My staff is telling me that, in fact, by virtue of having run this gas through the H-VAC system in the Hart Building, whatever spores or mold or bacteria was in the H-VAC system will actually be remediated. So anyone who has asthma will probably be in better health as a result of our fumigating the building than they would be if we had not.

So we'll work to get our scientific data up to you all so that you can see that this is a very safe and effective product and that they will not suffer any ill effects as a result of the residual impacts of this technology.

JEFFORDS: Well, thank you for that answer. I've never been through an experience -- I don't think any of us have -- like this, where we ourselves are in the midst of the exposed areas. And it's a great deal of anxiety created in our staffs in particular. So that would be very helpful.

Back to the power plants.

Good to see you again.

I understand that the FAA has established a no-fly zone of sorts around the nuclear power plants. This new fly zone applies only to non-commercial aviation and expires November 7. Additionally, there seems to be a question of how this no-fly zone can be enforced.

This is a concern to my state, where reports of an unidentified plane flying close to the Vermont Yankee plant on September 13 have never been fully explained and obviously caused some anxiety.

In your opinion, what is the advisability of providing greater protection for airspace around nuclear plants? And do you have any suggestions on ways this might be accomplished? And is there anything we need to do to help you?

MESERVE: It's a difficult issue. Immediately in the aftermath of the September 11 event, we started our discussions with the FAA and with the military about the possibility of another aircraft attack.

And there has been for some time something that's called a notice to airmen that's issued by the Federal Aviation Administration that requests pilots not to fly in the vicinity of -- over or in the vicinity of nuclear power plants and other similar facilities, not just nuclear power plants but other infrastructure of a similar kind: chemical plants and the like.

We did see a reduction in the number of fly-overs as a result of that notice, but they were not eliminated. We established a protocol with the FAA so that if there were fly-overs, our licensees were to do the best they could to observe the tail number on the aircraft, communicate that to the FAA, to us and to the military, in order that there could be follow-up activities to pursue the reason for that fly-over and to discourage any further fly-overs.

MESERVE: We're not always successful, of course, in identifying the aircraft. Nor when there were police or military efforts to intervene did they always find the aircraft. It had exited the air -- the region by the time you got there.

As a result of the announcement that -- the intelligence that led to the announcement by Attorney General Ashcroft the other day, there was a decision to establish no-fly zones for general aviation aircraft over 70 sites licensed by the NRC and 16 or 17 sites that are under the control of the Department of Energy.

That was the result of a discussion that not only involved the NRC, but Office of Homeland Security, the military, FAA and other agencies with interests in the matter. And it's a balance between the disruption of federal aviation -- civilian usage of the airspace and the need to provide protection.

And this is a limitation that is going to expire in a week or so as this current threat is understood to diminish.

It's my view that this is an issue that -- you have commercial issues that have to be evaluated in terms of the impact on the usage of airspace by general aviation aircraft, some of which, of course, are commercial, not for flying passengers but that are business travel and for freight and the like.

There is a question of the military response, in that, you -- there's little point to establish a no-fly zone if there is, in some way, to enforce it. So you have an issue about the deployment of your defensive assets that have to be resolved.

And so I think this is a complicated issue that involves interests that go well beyond just the NRC's. It involves the interests of a variety of other agencies.

JEFFORDS: It obviously does. And so, I don't know whether any legislation is needed or whatever, but I'm sure you will let me know if we, this committee, has the responsibility over the plants in the sense of security. So we want to work with you and make sure you have whatever authority you feel is appropriate.

MESERVE: Thank you very much, Senator.

JEFFORDS: Mr. Moravec, last week I met with you and GSA Administrator Steven Perry. In that meeting we discussed the federal building security. And you told me that one of the biggest obstacles facing your agency is the retention of security personnel. And because of the differences in pay grades between GSA and other federal law enforcement agencies, you told me that your agency experiences a tremendous amount of turnover with your federal security personnel.

Can you discuss what needs to be done to help your service attract and retain trained law enforcement personnel? And, again, what kind of legislation, if any, do you need to help you?

MORAVEC: Thank you, Senator.

This is a point of vulnerability for the Federal Protective Service. And particularly lately with the high state of alert that we've been forced to maintain at all federal facilities, it's thrown into high relief that pressure that our manpower is under.

We have determined that we need not only to keep the manpower that we have, the federal law enforcement officers that we have, but probably to increase that force, because we're being force to run 12- hour shifts, and that's putting a lot of pressure on them and, frankly, we're stretched pretty thin.

The Federal Protective Service uniformed personnel are at a disadvantage relative to other federal police forces in terms of the pay scale that they are entitled to and also in terms of the benefits package which they're entitlement to on retirement. And that has proven to be a challenge for us in terms of retaining people.

We're also, of course, subject to people being called up by the National Guard, which is putting pressure on us, but there's really not much we can do about that. The principle concern is losing our people to other federal services.

For example, the air marshals right now are offering \$25,000 signing bonuses for qualified law enforcement and security personnel, and that's awfully tempting for some of our people.

JEFFORDS: Have you seen a number looking into that? Is that what you're telling me?

MORAVEC: Have we seen a number of...

JEFFORDS: Of your employees looking to go?

Moakley: Yes, in fact, just last week we lost two of our most highly qualified people in the National Capital Region, people that we could ill-afford to lose. And we're concerned that that could be a continuing challenge for us.

JEFFORDS: How do you go about approaching a solution? Do you have to come to us or do you...

MORAVEC: Well, a certain amount of relief, I think, can be orchestrated through work with the Office of Personnel Management, but it's my understanding that legislative relief would be required to change the -- particularly the benefits package which we're able to offer these people.

JEFFORDS: Well, I feel for you. So if we can be of help, let us know.

MORAVEC: Thank you very much, Senator.

JEFFORDS: Mr. Brown, on October 16, this committee held a hearing to discuss FEMA's response to the events of September 11. During a discussion with the emergency response personnel at that hearing, the emergency responders suggested the need for a dedicated national communication system for emergency responders to better coordinate and respond to disasters.

And listening to that, I could understand. We have a hodgepodge of communications systems. Trying to connect them up in a disaster is not an easy thing. Crews from Maryland and Virginia responding the Pentagon disaster were at times unable to communicate with each other because they were using different radio frequencies, et cetera, et cetera, et cetera.

What's the solution?

BROWN: The solution, Mr. Chairman, is to do the study, get some money, and fix it. It's very simple. I mean, it's not simple -- the solution itself is not going to be simple, getting there is. We have to identify how we're going to use those different broadbands, get those dedicated to us, get the money, and have a national system.

JEFFORDS: OK. What about the digital spectrum? Do you need access to that?

BROWN: Yes we will. Yes.

(CROSSTALK)

BROWN: Although I've heard -- I'll have to get back to you on this -- I have heard that actually we have more problems utilizing the digital spectrum than we would an analog, and that actually analog, in terms of disasters, may be more beneficial to us.

JEFFORDS: Well, just please keep me advised.

BROWN: We will do that.

JEFFORDS: If you need any help...

BROWN: We need your help in that area.

JEFFORDS: All right, because we're here to help.

BROWN: Good.

(LAUGHTER)

JEFFORDS: Dr. Sampson, since 1992 the EDA has received over \$600 million in supplementary appropriations to deal with the aftermath of major disasters. Can you explain the disaster grant process and the role EDA plays in post-grant oversight? And how can the agency put this experience to use to aid the people of New York?

SAMPSON: The EDA has primarily three sets of tools to use in disaster response grants. First, our technical assistance and planning grants. Secondly, capitalization of revolving loan funds that can be used where appropriate for financing that is not available on the market. And then the third primary tool is through public works grants.

As we discuss the circumstances in New York, and the needs of those businesses are somewhat unique to many of the other disasters that we have been involved in, I think the major lessons that we have learned from working with those disasters over the past really many number of years is that the fundamentals of economic recovery don't change after the disaster. The economic development stays basically operating thorough several principles. You have to, before businesses will reinvest, there has to be a likely outcome that they're going to get a return on that investment. And I think Senator Corzine referred to that basic principle.

Secondly the effort needs to be thorough, comprehensive and coordinated. I think we've learned that we need to carefully scope the problem is, and then apply the right resources, and that's the approach the administration is trying to take right now by identifying the appropriate federal resources to bring to bear.

One of the major lessons is there is a need for streamlined delivery of those services. And I think Senator Clinton already identified the importance of that.

The role the EDA has consistently played is as a partner to those lead agencies that are here at this table -- FEMA, SBA, the Department of Transportation and HUD. And we're happy to bring those lessons to bear and to assist our partner agencies in dealing with this disaster as well.

JEFFORDS: Thank you.

Again, Mr. Meserve, I understand that the NRC has been in close contact with the governors and federal intelligence and enforcement agencies as well as the military. Have these discussions dealt with evacuation plans should an emergency occur?

JEFFORDS: And do all nuclear power plants have in place clear procedures for notifying and coordinating with local and federal disaster response personnel? And would local police, firefighters and government officials know what to do, how to coordinate, and what roads should be open and closed, et cetera? People like reassurance on these, as you understand.

MESERVE: I appreciate the question. Let me say that in the post-September 11 environment, our discussions have principally focused on whether a threat exists and assuring that there's appropriate defensive capability to be able to respond to any threat.

We do have, as part of our normal regulatory process, a requirement that every nuclear power plant have an emergency plan, and that would cover events of all types.

The NRC's focus is on the on-site portion of it. And we work with our colleagues at FEMA and with the state emergency response agencies with regard to the off-site portions of it.

Those plans are required to be updated whenever there is a significant change, like a road were to close or what have you, then the plan would have to be adapted. We require, in any event, that those plans be reevaluated every two years. And at every site, we have, every two years, we have a full exercise. That means not only the NRC portion, the on-site portion of the plan, but also involving the FEMA assets and the state and local assets in order to attest the capacity of the plans to be able to respond to events.

So this is something that is part of our normal emergency planning at nuclear power plants and is subject to continuing review to assure that the emergency plans are adequate.

SAVENKO (ph): Mr. Chairman, if I might add, our on-scene coordinators at EPA...

JEFFORDS: I'm going to ask you a question, too. So go right ahead.

SAVENKO (ph): Well, I was going to say, we, in addition to our lab at Edison, New Jersey, that Senator Corzine mentioned he believes is sadly in need of upgrading, we have a fine team of radiological emergency responders who are specialized and can assist our on-scene coordinators, our network of EPA teams that respond to chemical and oil spills, and also are responding to the anthrax. So our folks are also trained to respond to nuclear incidents and can help out in these situations.

JEFFORDS: Thank you. And I'll follow-up.

In your testimony, you state that the anthrax remediation and World Trade Center cleanup efforts may be depleting the Superfund trust fund. I'm very concerned about depleting the Superfund, but we obviously need to provide for anthrax cleanup as well.

Are you certain that if there's another terrorist event that EPA will have money readily available to respond? In light of this, are you certain that you had adequate resources to continue your current pace of cleanup at the Superfund sites?

SAVENKO (ph): Mr. Chairman, that is a very important question. And, frankly, we're at a point now where we are going to be taking a very hard look at our portfolio of sites. Thus far we've been able to respond using our existing emergency funding authority under the Superfund law and deploy our resources. But it looks like we're in this for the long haul.

And I'll be meeting with my regional Superfund division directors next week. And we are going to take a very careful look at the portfolio of sites that we must address this year and figure out what we can and cannot do. And I'll be pleased to follow up with you and your staff after that meeting and figure out what we need to do the job properly.

JEFFORDS: I appreciate that, because we didn't think about these kind of things when we were creating the Superfund, and yet it certainly fits in that kind of a situation.

SAVENKO (ph): Well, and I will say that our existing system is responding very well. And I'm proud of the work that our folks are doing in the field.

JEFFORDS: And, Mr. Mitchell, thank you for your help. I don't have a question for you. Senator Clinton cleared up that area. So I just want to thank you for sharing with us your experience and your experiences.

Thank you all.

We also reserve the right to question any of you that we feel like it, by writing after you leave, so don't get too respent (ph).

(LAUGHTER)

Thank you. Goodbye.

END

"CNN Live Event/Special," CNN, 11/10/2001

JONATHAN KARL, HOST: A president rallies support at home and abroad. Our guests will have the latest on the military and diplomatic challenges.

And from New York, Senator **Hillary Rodham Clinton** talks about the past two months, her state and the nation.

From Capitol Hill, a debate on the airline security standoff. Is a solution in sight?

Our experts will look at the slumping economy, where it's going and what it means for you.

Plus, your phone calls and e-mails. All ahead as CNN continues special coverage of AMERICA'S NEW WAR.

Welcome. I'm Jonathan Karl in Washington.

We're looking for your phone calls and e-mails over the next two hours as we discuss the war on terrorism, homeland defense, airline security and the economy. Send our experts your questions to security@cnn.com.

We'll be talking to my first guest, New York Senator **Hillary Rodham Clinton**, in a moment, but first, here are the latest developments as America strikes back.

President Bush told the U.N. General Assembly today that every nation has a stake in the war on terrorism. And the president warned that those who think they can, quote, "pick and choose their terrorist friends" will pay a heavy price.

The Taliban admit they've lost the strategic town of Mazar-e Sharif to opposition forces, but they call it a strategic withdrawal. Opposition commanders say the U.S. bombing helped them capture the city.

A Pakistani journalist claims he has conducted the first interview with Osama bin Laden since September 11. Two different versions of the interview were published this morning. The English-language "Dawn" published one version, in which bin Laden says that if the U.S. uses chemical or nuclear weapons against him, he will respond in kind. He's also quoted as saying he possesses chemical and nuclear weapons as a deterrent.

Local newspapers headlined the nuclear issue. But Hamid Mir, who claims he met with bin Laden in the mountains north of Kabul, says the more important thing for him was that, in

the interview, bin Laden's apparently reversed himself on his thoughts about American civilians. It is this part of the interview that is causing concern with Western analysts.

Previously bin Laden has said any American is a target. Now, according to Mr. Mir's account of the interview, he says there are some good Americans.

There is no independent confirmation that the interview actually took place, and the audiotape Mr. Mir says of the interview that was made has not been released. CNN has spoken directly with Mir, and we are working right now to check out the details he provided.

In New Jersey, four post offices have reopened this morning after tests found traces of anthrax. The buildings were closed overnight for cleaning. Health officials believe the anthrax was a result of cross-contamination with mail from the Hamilton center, the facility that handled three anthrax-laden letters. None of the postal employees who work at the four offices have been put on antibiotics.

And in Washington, anthrax has turned up again at the Longworth House Office Building. Investigators have found minute traces of bacteria in a fourth congressional office. The bacteria was found Tuesday in the office of Representative Elijah Cummings of Maryland.

The Pentagon has declared a missing Navy serviceman dead. Twenty- year-old Bryant Davis of Chicago had been taking part in military operations in Afghanistan on board the USS Kitty Hawk. He fell overboard Wednesday in the Arabian Sea. Despite two days of search efforts, his body was never found.

President Bush is in New York, where he addressed the United Nations General Assembly earlier today. CNN White House correspondent Kelly Wallace is traveling with the president and has details.

(NEWSBREAK)

KARL: And in Afghanistan, the anti-Taliban Northern Alliance has gained control of the key city of Mazar-e Sharif.

CNN's Ben Wedeman is just to the north of Mazar-e Sharif in Dashtiqala, Afghanistan, with the latest.

(NEWSBREAK)

KARL: Joining us now, a woman with a special perspective on the events of the past two months, both for her state and the rest of the country, Senator **Hillary Rodham Clinton**, Democrat of New York.

Senator Clinton, thank you for joining us.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you, Jonathan.

KARL: I understand you're in Buffalo talking about an idea for new public security grants to help localities like Buffalo, New York, deal with the homeland defense issue. How much is needed, and where do you think this money is going to come from?

CLINTON: Well, I announced today a proposal for a public safety block grant which would provide federal dollars to our first responders, who are largely under the control of our city governments, our county governments throughout the country.

I think this has to be part of what we finally do in Congress before this year ends, because we need to pump up the resources that are available.

Here in Buffalo, the mayor has told me that before September 11, they never received a single weapons-of-mass-destruction call on 9/11. Since then, they've received 150 or so.

Each of those costs about \$600 to \$700 an hour to respond to, and just by doing the math, you can see how a city like Buffalo is going to be in terrible financial shape. But cities across

New York and the country are in the same fix, because they don't have the resources to step up and be able to provide the kind of first response we need without some federal help.

KARL: Now, is there a commitment to provide that help? As you know, the president has threatened to veto any additional emergency spending for this year. Where do you think the commitment stands in Washington?

CLINTON: Well, I would hope that the administration would take very seriously the concerns that I'm hearing from people all over New York and indeed the country. I met with a delegation from the Conference of Mayors.

You know, we expect our cities and counties to be on the front lines in the fight against terrorism here at home. They can't do it without the resources.

We certainly have done everything we could to support our men and women in uniform in the battle abroad in Afghanistan, Central Asia and elsewhere. I just don't accept the fact that we can't provide federal dollars so that our police, our fire, our emergency response teams are as well equipped. And I hope that that will be considered favorably before Congress goes home this year.

KARL: Well, Senator, we've got a lot more to talk about certainly, but we do have to take a very quick break.

We'll be back in just a moment.

(COMMERCIAL BREAK)

KARL: And there, live pictures of ground zero in New York City.

We're talking to Senator **Hillary Rodham Clinton**.

Senator, I don't know if you can see those pictures, but it has been two months now since the September 11 attacks. How has all of this changed you?

CLINTON: Oh, Jonathan, I can't even begin to tell you in all the ways that this has had an impact on me and everybody I know. I couldn't see the pictures, but I assume that they show what we know to be the continuing fires that are burning below ground and the work that is so dangerous that's proceeding above ground.

I think all of us have been moved to really look at our own priorities in life and to understand what we have to do to protect our country. And that's why this fight against terrorism has to be such a united effort, and it has to take place here at home as well as abroad.

I think we're in for, you know, some difficult times ahead, but I have no doubt we can be successful. And so, despite the work I do every day to try to help everyone I can, I'm very conscious of the fact that this is a long-term effort.

KARL: Well, in terms of preventing future terrorists attacks, the attorney general talking about extraordinary measures to prevent future terrorist attacks.

One thing, the latest proposal is allowing -- and he's actually made this a rule at the Justice Department -- allowing the FBI to listen in on the conversations of suspects who are into custody and their lawyers. This is, of course, attorney-client privilege has been something that's been important to everybody for a long time.

What do you think, is this step necessary in light of the current circumstances?

CLINTON: Well, I know it's going to be reviewed. Senator Leahy and the Judiciary Committee have already sent word to the attorney general that they're going to be taking a hard look at this. And I will, you know, wait to see what the evaluation is.

Obviously, we are living in extraordinary times which demand responses commensurate with the dangers we face, but we don't want to throw the rule of law out the window, and we

don't want to in any way demonstrate that our values are not enduring and lasting in the face of this challenge.

So it's a balancing act. And I'm going to wait to see how Senator Leahy and my colleagues evaluate it.

KARL: And Leahy's been extremely critical on that point. Others have been very critical of the administration in how it's handled the anthrax threat.

As a matter of fact, you've come out for a proposal for a single spokesperson to talk about the threat of bioterrorism. I mean, we've seen a dizzying array of spokespeople out there so far. Has the administration mishandled this so far?

CLINTON: Well, you know, we're all learning. This is an unprecedented challenge. And everybody's trying to figure out the best way to proceed.

I'll be going from Buffalo, where I am now, to Rochester to have a forum on bioterrorism and how we should respond.

But I do believe that we should consolidate the public- spokesperson role in one authoritative voice, preferably a doctor or scientist who is very familiar with the biological aspects of this new challenge, someone who, frankly, can come across well on television and offer honest assessments and good information, but, you know, not falsely either panicking people or telling them some things that aren't true in order to make them seem better than they are.

So I think this is a move that is under consideration, and I believe that the administration is settling on someone who would do that role.

KARL: Now, we've had some unity on the question of going about the war on terrorism, but when it comes to other domestic matters, we've seen -- I'm sure you were at the front row seat to all of this -- this week in Congress, some real partisan breakdown, especially on the question of what to do about the economy.

The Democrats have come out with a plan, a plan you have said you support. I want you to listen to what Senator Daschle had to say in defense of this plan. As you remember, the Republicans said that it was littered with special-interest pork-barrel tax breaks, essentially, including one for chicken waste.

Here's what Senator Daschle had to say about that.

(BEGIN VIDEO CLIP)

SEN. TOM DASCHLE (D-SD), MAJORITY LEADER: Poultry waste and waste of all agricultural products is something that continues to threaten our country. We've got to find ways with which to address the safety, the security of pollution and waste in various ways that have yet been addressed successfully in some parts of our country.

(END VIDEO CLIP)

KARL: Now, Republicans have seized on that, saying, "Poultry waste, a threat to national security, what are the Democrats doing?"

How do you defend against these charges of, you know, kind of pork-barrel tax breaks?

CLINTON: Well, you know, Jonathan, let me start by saying that I thought the plan passed by the House of Representatives was a fiscal disaster that would set our country back for years to come.

I don't understand how they passed it with a straight face, and it was really a giveaway to large corporate interests, even including a provision that encouraged businesses to take their jobs overseas. I don't see what that has to do with trying to put Americans back to work.

What the Finance Committee has tried to do in the Democratic proposal was strike a balance between those kinds of tax breaks for businesses that would truly spur new investments, not something that would go back 15 years like the House did and say, "Well, here's a bunch of money because you didn't like the tax you paid in 1985 and '86," but instead, really linking those kinds of tax breaks to investments and new job creation.

In addition, to try to provide unemployment insurance to those who have lost their jobs, to keep their health insurance by providing some help with that, to look at where we could spur the kind of investments that are future-oriented. And, you know, that does have to do with high technology, with energy efficiency, the kinds of things that people believe would make a difference.

My view on this, though, is pretty simple. We had eight years of prosperity because we paid down our debt and we got rid of our deficit. We hit a rough spot, and it was turned into a terrible bump because of the attacks of September 11.

If we hadn't passed the big tax cut last spring, that I believe undermined our fiscal responsibility and our ability to deal with this new threat of terrorism, we wouldn't be in the fix we're in today. But the fact is, we are.

And now we've got to figure out what's the best way out of it. I certainly don't think more tax breaks that are not linked to investment and job growth or turning our back on the unemployment and health needs of hardworking Americans who have lost their jobs because of the attacks is a very sensible proposal.

I'm also concerned that we're back into deficits, which we know from prior experience are, you know, job killers because they dry up private investment capital.

So I would say that, on balance, the Democratic alternative is far preferable. And any one of us could have written it differently, but, you know, in Congress you make necessary tradeoffs and compromises. The kind of balance that the Finance Committee struck under Chairman Baucus is a heck of a lot better than the Republican alternative or the House-passed alternative.

KARL: Well, we'll be talking to the other side shortly. We'll be talking to Senator Allen, who is kind of the champion for the Republican plan in the Senate.

But as we look at stimulating the economy, look at what's already been done. I am wondering what your thoughts are on the aviation bailout. Five billion dollars in direct payments to the airlines. Now we learn that most of the \$5 billion has already been spent; the airlines are still in trouble.

CLINTON: Well, I think the airlines are facing some really troubled times, understandably so. Nobody is flying.

And I would have to point to the fact that, again, the Republicans and now unfortunately, joined by the administration, won't do what I believe most people want us to do, which is to federalize airport security, send a very clear signal that the kind of outrageous security breach that happened in Chicago, which we also found out meant that convicted felons were employed by the security company, will never happen again.

And, you know, the Republican leadership will not accept that having that kind of government law enforcement run our security system so that people can feel safer is probably the best way we can get people flying again for the holidays.

Instead, you know, we're getting National Guards troops in our airports. I've been flying constantly for the last two months, and I must say I respect the role that the National Guard is playing, but they're not doing baggage screening and security checks. They're there in case something terrible or untoward happens.

But what we fear is someone getting through security like they did at O'Hare, with you know, with stun guns, knives and mace. And that's not going to be stopped by posting more National Guards.

So I would hope that the administration and the Republicans would go along with the 100-to-nothing-passed Senate version. Let's get about the business of making our airports safer, and people will start flying again.

KARL: Senator, we only have a few seconds left. Wanted to get your reaction to the mayor's race in New York. Somehow a Democrat managed to lose again, in New York City. How did that happen? What do you think of Michael Bloomberg?

CLINTON: Well, I'm looking forward to working with the mayor- elect. I've already spoken with him.

We're going to have a great need for a close partnership between federal, state and city government. We've got a lot of work to do to clean up New York and rebuild New York. And I think that he's going to be a great partner in that effort.

KARL: Well, Senator, thanks a lot for joining us, and I look forward to seeing you next week up in Capitol Hill.

CLINTON: Around the Capitol. Thanks, Jonathan.

"CNN Breaking News," CNN, 11/12/2001

(JOINED IN PROGRESS)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: ... in the lead of recovering bodies, looking for evidence along with the FBI, the Police Department. The National Transportation Safety Board are bringing in their experts to determine what happened.

As we were walking over here, we saw one of the plane's engines that had fallen into a boat parked at the end of a driveway of a home, and the back of the home had caught on fire. But miraculously, the front was totally unscarred.

And then another piece of the engine fell into a gasoline station, and again it missed a fuel truck. It didn't penetrate the ground into the fuel tanks.

So although this is a terrible, terrible tragedy, one of the fire chiefs just said that, you know, it could have been a lot worse. And the investigation is looking at, you know, what caused this plane to go out of control so soon after takeoff.

There is absolutely no reason to believe at this time it was anything other than an accident.

QUESTION: Mr. Allbaugh, what are you doing now that you're on- site, what can you do working with the NTSB and the FBI?

JOE ALLBAUGH, DIRECTOR, FEMA: Actually, we're in close coordination with all of those agencies. We just met with Chief Frank Carruthers (ph), who's the incident commander here. Things seem to be well under control. There really isn't much that we can do right at

this minute. They're going to be working through the night at the site removing all the bodies that they possibly can. And we'll provide any assistance that any agency needs.

I'm here at the direction of President Bush, making sure they have everything that they need. We'll make sure that they are covered from A to Z.

QUESTION: Are we sure at this point that this is just an accident?

ALLBAUGH: I think it's too soon to be sure. I hope that's the situation. That's horrible to say. We hope that it's just an accident, but it's very early in the process and the investigation.

QUESTION: There are reports that the pilot may have been dumping fuel...

ALLBAUGH: I'm sorry. We can't hear you.

QUESTION: There are reports the pilot may have been dumping fuel over the bay...

ALLBAUGH: I'm unaware of that.

QUESTION: Would that tell us anything if that were true?

CLINTON: Well, that will be part of the NTSB's investigation. And you'll see a lot of FBI agents and police officers who are, you know, walking up and down the streets. They're gathering evidence, both physical and from witnesses. So, that's all being pieced together.

QUESTION: And Mrs. Clinton, this is a city where the people have been through so much already. What would you say to them now on this (UNINTELLIGIBLE)?

CLINTON: Well, it sure has been a very tough two months. But there isn't any city in the world that is better prepared or has, you know, more courage and grit to take whatever comes. You know, I just was running into a lot of the firefighters and police officers that I've seen down at ground zero who are here. This happens to be a neighborhood where a lot of firefighters and police officers live. So you know, we're doing everything we can to deal with this, and you know, I know that the people of New York can rise to any challenge. And they will.

QUESTION: Mrs. Clinton, we know (UNINTELLIGIBLE). For these families overseas, where can they seek for assistance?

CLINTON: American Airlines and the city of New York have set up a -- an emergency center at the Ramada Hotel at JFK Airport. Some of you may remember the tragedy of TWA 800. It's the same hotel. There will be people there to provide information and assistance to family members. So I certainly urge everyone to make their way to the Ramada.

I know that -- I visited during the tragedy following TWA 800. That's where you can find information, where you can find help. And it is a -- it's a very good place for people both from this country and elsewhere to seek information.

BROWN: The junior senator from the state of New York, **Hillary Rodham Clinton**, along with Joe Allbaugh, the FEMA director, in town now, surveying the scene. These pictures are pool camera pictures.

It is hard, isn't it, not to see this line of firefighters and keep your memory in the present and not go back to the 11th of September?

I was coming into town on the train today (UNINTELLIGIBLE) Grand Central, and someone walked up to me and said, "This is the season of our tests, isn't it?" And it does seem for the city of New York this is exactly that. And this is yet another test for New York.

U.S. SENATOR TED KENNEDY (D-MA) HOLDS NEWS CONFERENCE, 11/14/2001

CLINTON: Thank you, Senator Kennedy, and thank all of you for being here and making very clear what the stakes are in this debate.

You know, I want to add to the eloquent points that Lorraine made out of her personal experience and that Senators Kennedy and Dorgan and Senator Corzine will make about why this is the right thing to do, because there really shouldn't be any debate about that. As has been said, the people like Lorraine across our country who have been laid off after working 10, 20, 30 years, showing up every day, playing by the rules, is something that should demand our immediate action.

But it's also the smart economic choice to make. We are trying to stimulate the economy. We are trying to get money into the hands of people who will spend it, and we know from not only economic theory and the many economists who have spoken with all of us, but we know from our practical -- you know, down on the ground experience -- that people who get unemployment insurance will spend that money. They have to. They have to go in, they have to pay the rent, they have to pay the mortgage, they have to buy the food. They are going to be stimulating economy.

And people who get this help extending their health care benefits are going to be able to avoid falling even further into economic distress. And they are going to do something else -- they are going to prevent the roles of the uninsured from increasing in our country. If they or their children or dependents are sick, they're going to be able to get treatment because we're going to give them this help to extend their health care benefits.

Now, why does that matter? Well, it matters because anytime we increase the number of the uninsured -- and remember, we're talking about working people who had health insurance through their jobs, who no longer will have health insurance -- anytime we increase the number of uninsured Americans, we add burdens onto our already-burdened health care system, onto our hospitals.

You know, speaking just from New York's perspective, we've lost, according to the New York Labor Department, about 250,000 jobs by year's end. Our hospitals are already feeling the extraordinary stress of trying to deal with the World Trade Center, with the plane crash, with the kind of demands that are coming in through the doors of the emergency room every single day.

CLINTON: The last thing we need is to add to the numbers of uninsured people who have to stand in that line to get in the emergency room, who increase the uncompensated costs that our hospitals have to pay, which therefore adds to the burdens of employers and the rest of us who keep our insurance.

So this is not only the right thing to do, to help out somebody like Lorraine and all of these workers behind me. This is the very smart economic decision to make. And I hope that the Republicans in the Senate, and in the House and the administration will really look to see the kind of help that we need to offer our fellow citizens to get them through this rough patch. Because it's not just for them, it's for all of us.

And I applaud Senator Kennedy for his leadership on this issue.

Thank you.

(APPLAUSE)

KENNEDY: Senator Jon Corzine is our cleanup batter today. Jon?.

U. S. SENATOR JON CORZINE (D-NJ): Good morning.

Let me thank all of the folks that are joining us today.

You know, when we get statistics released the first of every month, and it shows 415,000 people are unemployed, we lose track of the fact that they are real human beings with real stories that really do represent a need. Lorraine's story is very clear. And we need to put that in context when we're talking about a stimulative package.

The fact is, as Senator Clinton just said, and I believe, and I'm going to try to show you the practical reality of this, the Democratic stimulus package is about real economics -- how we get real results into the economy. And there are two charts here. We'll talk about one of them. I wish we could put up this other one that showed all that money going off to the Fortune 500.

I came from the business world. And you know, it's nice if you're IBM or Ford or others to get \$1.5 billion or \$1 billion in tax credits because maybe in the long run that will help your bottom line and your stock price can grow. But it's not going to create jobs in any immediate sense. It is the ultimate in trickle down. As a matter of fact, there are all kinds of economic studies that will tell you it will take three, four, five years to work.

But let me tell you another example of what we have been talking about today, which are health benefits for the uninsured. Here in the Republican plan, where there is no subsidy for those that are unemployed -- no subsidy -- they are going to spend 65 percent of what is already too low unemployment insurance to pay for continued health insurance benefits -- 65 percent of a \$925 average monthly pay to go out for health insurance.

So where are they going to get the money to spend for shoes, or to go to any kind of support of their family, or doctors -- all that kind of thing? Where is it going to come from, when all of their unemployment insurance presumably is going to pay for health benefits?

Under the Democratic plan, where we get a 75 percent subsidy, almost all of that \$925 is available for real spending. And you know, it provides real support so that Lorraine and others have the ability to continue their health care benefits and take care of themselves as opposed to taking care of the bottom line of the major corporations.

This is real economic stimulus. This is real. People go out and spend this. A dollar invested in stimulating our economy will be \$1 that actually goes into the economy. It is not sensible, the kind of structure of stimulus program -- as a matter of fact, it's just a retreading of the same kind of programs we've had with regard to income tax breaks for those that are doing well in our society and corporations -- when in fact we have 415,000 more unemployed today than we had the beginning of October. And it is time to act with regard to strong economic policy, but also one that is sound with regard to real human lives.

And so I'm proud to stand here with my colleagues and make this point today. We will be making that on the floor because this is a real economic stimulus program that is focused on how we get money into the hands of those that will spend it.

Thank you.

(APPLAUSE)

KENNEDY: Finally, we welcome the support of the mayors of this country that have indicated their support for us, and Families U.S.A., which has been the principal group that has spoken for good quality health care for all Americans. Virtually all of the children's groups, all of the disability groups, all of the women's health groups have indicated strong support. I'm not going to take the time now, but there are two pages of different groups that understand the importance of decent health care for working families, and believe that this proposal is the best way to do it. And we are going to fight for it on the floor of the United States Senate. And we are going to be hopefully successful.

(APPLAUSE)

So, I want to particularly thank as well our sponsoring group, Campaign for Job and Income Support. We want to thank all of them that have been here.

(APPLAUSE)

I knew I would say something that would get applause if I stayed around here long enough.

OK, any of our colleagues would be glad to answer any of the questions which you have.

Let me just say then, finally, we are not only going to fight for this program, but we are going to resist the Republican effort to try and utilize unexpended funds that were voted to provide health insurance for needy children in this country as a means and a way to fund their health insurance for displaced workers.

KENNEDY: That's robbing Peter to pay Paul, and it makes absolutely no sense at all. The states need those funds. They will need them to cover their shortfall in these next two to three years. And they are virtually earmarked for coverage for children, primarily for needy working families. It goes from about \$33,000 a year to about \$15,000 a year, where health insurance is so expensive that these working families can't cover it. That's what the CHIP program was targeted for.

And we are not going to permit the Republicans to divert those needed funds which have been earmarked for children in our country when the OMB feels that they have got sufficient funding to be able to have the \$1.4 billion for IBM and \$1 billion for Ford and on and on -- several billion dollars. And we wonder why the administration's OMB can find the money in the treasury to afford that and not afford what is the health insurance programs for America's workers.

This is a clear question of choice. It's a clear issue of priority. Who is on the side of working families? And we welcome the opportunity to champion their cause.

Thank you very much.

END

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON NA-TION'S ABILITY TO PROVIDE A RELIABLE SUPPLY OF VACCINES FOR AMERICANS, 11/27/2001

CLINTON: Thank you very much.

And I thank you, Senator Reed, for holding this important hearing. And I'd like unanimous consent to submit my opening statement...

KENNEDY (?): (inaudible)

CLINTON: ... for the record.

I am delighted to have this panel and I want to thank both Dr. Orenstein and Dr. Fauci for their lifetime of commitment and work on this and so many other important issues. And I also want to acknowledge and thank my friend, Betty Bumpers, who has been working on

this for decades now, not just years. And she, along with Mrs. Carter, have continually brought this matter to our attention.

But I would imagine -- and, unfortunately, I have to go preside, I'm not going to be able to be here for the second panel -- I would imagine that there is a kind of frustration that Mrs. Bumpers, Mrs. Carter, the doctors and those of us who've worked on this issue for many years feel because here we are, once again, talking about the challenges of immunizing our populations, particularly our children. And I'm hoping that out of this set of hearings and particularly the bill that you've introduced, Senator Reed, the bill that Senator Feinstein has introduced and then whatever else we need to do, we will be able to address the challenges of funding, of adequate infrastructure, of the appropriate public-private partnerships that are needed so that perhaps we won't have to continually revisit this issue.

And I'm hoping, too, that the unfortunate threats that we face because of bioterrorism will galvanize us into action on a range of responses that go from improving our immunization rates for the typical childhood immunizations to being better prepared for the production of vaccines for not only influenza but for any other threat, like smallpox.

I just had two questions that I don't know that they've been addressed yet, but I would like to ask our two experts to respond to. We've talked a lot about the fragility and shortfalls in our vaccine supply. And I'm confident that we're going to respond to that. I just hope it's sooner than later. But I'd also like you to address the potential shortages in the supply of therapies to treat vaccine-related illnesses. There's been a lot of talk in the press about the number of people who might be adversely affected by smallpox vaccination, whether we did it in a limited way if it were required or on a mass basis. And I understand that our supply of what are called VIGs -- vaccinia immunoglobulins -- needed to treat adverse events from smallpox vaccinations is dangerously low. And I would assume that other VIGs are similarly in low supply. What plans do we have along with increasing our vaccines -- the availability, the affordability -- to address this VIG supply problem as well?

Dr. Orenstein?

ORENSTEIN: Actually, there's an interagency group looking at -- at the same time that we are increasing our smallpox vaccine supply is looking for ways that we can increase our vaccine immune globulin supply.

They're also looking at other kinds of therapies that might be helpful. For example, it turns out that many lots of some standard intravenous immune globulin have been collected from people who still had antibodies to vaccinia. And there is an effort underway to determine whether those lots might be useful to treat any adverse effects of smallpox vaccine.

But I think the interagency group, which is multiple partners throughout the executive branch, is taking this very seriously.

FAUCI: There's another issue, Senator Clinton, that is, I think, very important and that is, in addition to what Dr. Orenstein says, it's the development of antivirals against smallpox. Smallpox was a problem in an era that anti-dated any antivirals. We have an interesting situation that I think will serve as the prototype that will (ph) -- of research that we are now actively pursuing. We, the scientific community, developed a drug years ago for one of the complications for HIV. And that was a drug called Sadoftaveere (ph), which is an antiviral against the Cytomegalo virus -- the CMV that so many of the HIV infected individuals used to get. They don't get much of it now because of the effective drugs that we have.

It turns out that that drug is extraordinarily potent against a variety of pox viruses in a monkey model and in an in vitro system. So what the NIH has done, together with our colleagues at the CDC and other agencies -- the FDA -- have taken out an investigational new drug application to use Sadoftaveere (ph) as a back up for vaccinia-related problems -- as a backup to VIG.

So VIG, as you mentioned appropriately, is still the first line of defense. Hopefully we'll get more of that with the studies that Dr. Orenstein is referring to. But we also now have the capability in an experimental way of looking at antivirals. And not only Sadofftaveere (ph), but we're screening a whole group of other related compounds. If we're successful, we'll have a two-pronged defense against that. We'll have immune globulin and an antiviral.

CLINTON: Dr. Fauci, I'd like to follow up on that because it leads me to another question. I know you, particularly, have been an advocate for the role of technology transfer tools in the development of new vaccines and I would assume that would also be the same with VIG development. I think we need to be creative about how we look at these technology transfer instruments -- the cooperative research and development agreement. It seems to me that there ought to be a way as we're looking for a guaranteed supply and an affordable rate to create more of an opportunity for NIH or the federal government to retain certain rights that would then be plowed back in to the development of a lot of the vaccines and the antivirals and the rest of the range that we know we now need.

Is there a way to think about doing that that, perhaps, we could put on the table that we haven't looked at before?

FAUCI: I think so. And I think it's a very delicate issue because it's a delicate balance. You don't want to have so much, quote, "control" by the federal government that it's a disincentive for the industry to get involved. On the other hand, you don't want to just give away the store and not have the capability of being able to have the kinds of in-good-faith interactions to be able to have what's the best for the public health with the public investment.

I think that's an issue that still has not been satisfactorily addressed. We've made attempts and some of them have been successful. But I think if we can get that on the table again and examine it in a good-faith way and come out with some better interactions between industry and government, we will go a rather long way further towards improving the interaction and the public health.

So I'm enthusiastic about that.

CLINTON: Well -- and I know that on the second panel we'll be hearing from a witness who will be talking about the need to limit liability for manufacturers.

CLINTON: And I think we should put all of this on the table. I mean, part of what our new challenges are calling us to do is to think outside the box. I mean, how do we create a supply of vaccines that is constantly available? How do we make them affordable?

I would just end by pointing out that, you know, Betty Bumpers has some very good suggestions in her testimony that really go to the heart of once we do this creative work, how do we make that available to people? There might be an opportunity if we're thinking about relieving people of liability -- if we're thinking about creating these agreements -- that we could begin to create a fund that would help to provide access, increase our infrastructure, create the accountability systems that many of us have been talking about for, you know, 25 or 30 years but we've never adequately funded because when our immunization rates are high, or higher than they traditionally have been, it falls off the radar screen. And then when they go down again, and Senator Bingaman raises issues about his state, for example, then, you know, we have a spike. But we don't have the continuing commitment. And if we're going to look at a lot of new ways of addressing this, I think the public-private partnership and all the rest of it could begin to create some funding streams that might be used not only for research, but for actually delivering vaccines.

Thank you.

"The Early Show," CBS, 11/29/2001

Jane, as you know, women in Afghanistan lost their rights when the Taliban took control of their country. Now that the Taliban's out of power, there's hope that women can renew their place in Afghan society. Women like Farida, who fled Afghanistan with her children over a little over a year ago and is now hoping to return. She's on Capitol Hill with Senator **Hillary Rodham Clinton**. Ladies, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Bryant.

Ms. FARIDA (Fled Afghanistan because of Taliban): Good morning.

GUMBEL: Senator Clinton, let me start with you, if I might. You're going to be hosting a Senate panel on the future of Afghan women. What's--what's the objective?

Sen. **CLINTON**: Well, Bryant, we want Afghan women to have the opportunity to speak for themselves. And here in the Senate we've been introducing legislation and calling on the international community and our own government to ensure that the Afghan women are at the table in Bonn and part of any transitional government. But really, the best people to speak on what has happened over the last years and the hopes for the future are women like Farida, and the other women who are here with the Vital Voices Project who have been brought into the United States, and met with Mrs. Bush and will be here in the Senate this afternoon.

GUMBEL: Well, before I get a chance to speak with Farida, let me ask you this, when all of Afghanistan is in conflict, and when the country has so many problems, why single out the plight of women for attention?

Sen. **CLINTON**: Bryant, we know from long experience that when half the population are oppressed and denied their rights, that leads to instability, not stability. Women played a very important role in Afghanistan before the Taliban. Many women want to go back or emerge from the fighting and the overthrow of the Taliban to resume their roles. We're not asking that particular choices be pushed on women. We want to give women the opportunity to make their own choices, like Farida has done...

GUMBEL: Uh-huh.

Sen. **CLINTON**: ...in her very courageous work on behalf of peace over the years.

GUMBEL: Farida, let me ask you, your words, how active a role in--in Afghanistan did you play before the Taliban took control?

Ms. FARIDA: I was working, before Taliban. I was in Kabul, and what I do in Kabul I was work to help women projects inside Afghanistan, like we had income generating and skill building and education--educational training, and health programs for Afghan women to have access to these programs. I--I had even an education inside Afghanistan with my two children and husband. And even I walked for three-four hours to reach the places that they don't have access...

GUMBEL: Mm-hmm.

Ms. FARIDA: ...such--in such programs.

GUMBEL: We've--we've seen pictures of women in Afghanistan being hit with sticks, some even being executed. How difficult was it for you and other women to suffer in silence while the Taliban were in control?

Ms. FARIDA: I know there was--there was threatened and a risk for me, even for my family, that I lost one of--a member of my family during the Taliban regime. He was killed there. So I didn't want my--to put my children and other family member in danger, and in such a risk

situation in Afghanistan. And then I came into Pakistan and then from Pakistan I came to the United States. And if we have such programs like leadership training that we have now from Vital Voice, I think it will support and--and relieve us, and the role of this--of women...

GUMBEL: Mm-hmm.

Ms. FARIDA: ...and make us stronger.

GUMBEL: Senator Clinton, you--you've heard the criticism that promoting equal rights for women in Afghanistan amounts to some form of cultural imperialism. How do you respond to that?

Sen. **CLINTON**: Well, Bryant, I've heard it all my life, I guess, not just with respect to Afghanistan. But, you know, in 1995 I said what I believe, which is that women's rights are human rights. And I think that we have to stand for that. During the Clinton administration we stood against the recognition of the Taliban regime because of the apartheid that they practiced against the women in Afghanistan. So, as we move forward, I think our values, which are universal values, respecting the rights of individuals, don't mean that individuals can't choose whatever religious or cultural practices they believe in, but that they should be given a stable society in which to make those choices.

GUMBEL: All right, we'll let that be the last word. Senator--Senator **Hillary Rodham Clinton**, I thank you very much. Farida, thank you and wish you well.

Sen. **CLINTON**: Thank you, Bryant.

Ms. FARIDA: Thank you.

GUMBEL: All right, it's 7:35.

"Mornings with Paula Zahn," CNN, 11/29/2001

PAULA ZAHN, CNN ANCHOR: Welcome back. For the first time since the Taliban took control of Kabul five years ago, Afghan women are again able to show their faces in public. The fall of the Taliban has freed women to shed their burkas, lifting the veil that made them all but invisible. But what does the future hold for Afghan women?

Joining us now from Capitol Hill New York Senator **Hillary Rodham Clinton** along with her, an Afghan woman named Farida. Farida left Kabul just as the Taliban came to power. Her husband remains there in hiding. Welcome to both of you, delighted to have you with us.

SEN. **HILLARY RODHAM CLINTON**, (D), NEW YORK: Thank you Paula.

ZAHN: So Senator, before we talk with Farida directly, I have a question for you. We have had a number of Afghan women on the air over the last several weeks who have basically accused the Northern Alliance men of being animals and they say they don't treat women all that differently from the Taliban. How concerned are you about the fate of women in this transition period as a government is formed?

CLINTON: Paula, I'm very concerned. I think one of the reasons we're holding this hearing today to hear from Afghani women like Farida is to make sure their voices are heard and one of their experiences is that the Northern Alliance was not a stable governing regime and in fact, there were many abuses of power and crimes against women and others committed during that time period. Then the Taliban came along, partly as a reaction to try to impose law and order and of course went so far that they oppressed half of the Afghani people.

We want to have a stable situation, a peaceful one, with the kind of security that will enable women to go about their daily lives, to resume in their positions in the workplace, to be part of whatever transitional government takes place. But in order to do that, we have to have a stable regime. I'm pleased that in Bonn they seem to be making some progress, and there are women there as participants and observers.

But I think it's only right that the Afghani women speak for themselves after having been silenced so long, first by fear because of lawlessness and then second, by the Taliban's repressive regime which kept them basically without a voice.

ZAHN: Farida, you have been in America for a year now. You have political asylum. Do you plan to return home or are you still afraid?

FARIDA: Sure, I plan to go back to Afghanistan, but first of all to make sure that there is peace and stability and security and (INAUDIBLE) security (INAUDIBLE) guaranteed there. I'm sure every single Afghan will contribute and they want to participate in rebuilding and reconstruction of Afghanistan.

ZAHN: And what do you believe will be the key to a better life for Afghan women?

FARIDA: I think first of all that to make sure that and all that broad-based government is established once in Afghanistan and to have the participation of all groups and all ethnic groups and representative of all side of Afghanistan and also women to play a key role in establishment of government in Afghanistan.

ZAHN: Farida, what do you think might have happened to you if you hadn't sought political asylum, if you had stayed in Afghanistan during the Taliban era?

FARIDA: Obviously if I was there, I would have been killed. It was not just myself, my family and especially my children that I have hope for their future to be builder of Afghanistan and their future (INAUDIBLE) Afghanistan and the next generation that we want them to have peaceful life and security at to what they want to wish to achieve in their life and to provide them. So this is my hope that once we will get this.

CLINTON: You know Paula, one of the things that we're going to be talking about at the panel today with all of the senators is how so many of these women were really forced to leave Afghanistan. They had to seek refuge. They crossed the border, usually into Pakistan, but in Farida's case and the case of so many others, they kept going back often at great personal danger.

The reason you don't know her last name is because her husband is still in hiding. We want the individual voices of these women to really communicate to Americans how difficult this has been, but how much hope and resilience they have and how willing they are to play their part in building a peaceful, stable future for Afghanistan.

ZAHN: And Senator I know this is an issue you have cared deeply about for years. As you know First Lady Laura Bush got a great deal of credit for - excuse me I'm losing my voice here - doing a radio address focusing in on the plight of Afghan women two weekends ago. As you look back at your time as First Lady, do you think if there was anything more you could have done to focus America's attention on the plight of these women?

CLINTON: Well I'm really grateful that Mrs. Bush has taken such a strong leadership role in speaking out on behalf of Afghani women and their rights and the role that they must play in the future. I spoke with her yesterday and I was delighted that these women were able to go to the White House through the Vital Voices partnership, which has sponsored their visit here to meet her personally and to sit and talk with her.

You know during the Clinton administration, we took some very strong stands. We refused to recognize the Taliban. I and Secretary Albright and others were very vocal in saying that you can not recognize a regime that basically has imposed an apartheid (ph) system on half their population, which has attempted to deny women all their rights. That goes in the face

of universal principles of what we believe human rights are - certainly was absolutely contrary to what I believe and as I stated in Beijing about women's rights being human rights, I think we have seen a lot of progress in our understanding of what the women in Afghanistan suffered.

But I think now is the real opportunity for us to stand with these women to provide the education and health care and other services that they're going to need and to recognize that we can't walk away from Afghanistan again as we did more than 10 years ago. We have to be willing to support those brave Afghan men and women who are willing to stand against the Taliban, but also against disorder, criminal behavior, violence in order to build a peaceful society.

ZAHN: Senator Clinton, Farida, thank you both for filling us in on the hearings that come later today and we'd love to have the two of you back once a former government is in place and maybe to gauge your reaction to how you think women are represented in that government.

Thank you both for your time this morning. Good luck at your hearing.

CLINTON: Thank you Paula.

U.S. SENATOR JAMES JEFFORDS (I-VT) HOLDS HEARING ON REMEDIATION PROCESS OF BIOLOGICALLY CONTAMINATED BUILDINGS, 12/4/2001

CLINTON: Thank you, Mr. Chairman, and I'd like to submit my opening statement for the record. And I want to associate myself with the questions and comments of both Senator Corzine and Senator Voinovich on the matter concerning the protocol for use and the responsibility for overseeing the response to anthrax.

I appreciate very much your describing to us in your written testimony as well as here what you're doing. I think we do have a lot of questions that we need to answer. They're questions that everybody's trying to answer. There isn't any standard response out there yet. But that's what we're intent upon learning about and trying to create.

On October 26, I actually wrote to the Postmaster General and the Centers for Disease Control, asking that we begin the process of trying to adopt a standard protocol. And we look forward to working with EPA, with every other agency that is affected.

Certainly, the impact on my colleagues, including EPW staff, because of the discovery of anthrax and its effects in Hart have been extremely difficult, and we know that it's even more so for our citizens who have been working in post offices. I just want to be sure that whatever we do, we do for everyone, that we don't have some special treatment for members of Congress as opposed to people who work in postal offices or any other facility.

One question I would have, specifically, out of your written testimony is that the agency has apparently approved two pesticides for treating anthrax spores under emergency exemption provisions of existing pesticide laws. And I would like just a written response with more explanation as to what that means -- how does it work? And I believe that the emergency approval was to permit actions to be taken in postal facilities, and I, along with my colleagues, hope we are getting good information about comparing what we've done in the Hart Building with the use of the aqueous solution of chlorine dioxide and a foam of some kind, just so that we know what we're learning and what we're doing.

I'd also be interested in how you're currently paying for the work that you're undertaking, since I believe you asked in your testimony, among other things, the ability to recover cleanup costs. How is that being paid for now?

WHITMAN: Right now, we're working under CERCLA. We've spent about \$7.5 million to date nationwide. We expect that to get significantly higher before we're finished with it.

The Senate has agreed to pay for the decontamination here, and that's an area where we have some concerns. There is not a responsible party here in the traditional sense, because this was done by a third party unknown to everyone who's been impacted by it thus far. So we are using our CERCLA monies at the moment to do that.

CLINTON: Well, I would just note that in Senator Byrd's homeland defense package that I think we're going to be considering this week, there might very well be some funds that could be used to reimburse EPA for the work that it's doing right now.

On a different environmental and public health issue, I'd like your response about ground zero and the area surrounding the World Trade Center. As we all unfortunately are aware, the fires are still burning. If you saw the paper today, there's going to be an effort to remove the gas that was used to cool the towers, something that is extraordinarily difficult to undertake.

Certainly, I hear from a lot of people who are complaining about the air quality, asking questions about the environmental and public health concerns, whether it's asbestos, dust, or high levels of benzene (ph), or thousands of gallons of PCB laden oil being released. As you know, I sent a letter on October 26 expressing my concerns on this issue and requesting a meeting, and I was scheduled to meet with Assistant Administrator Maryann Hurenko (ph), who I'm pleased to see is here. She had to, unfortunately, cancel that meeting last week, which I hope will be rescheduled for this week.

I look forward to meeting with you, because I think it's imperative that we make every effort to provide the best possible information to people about what is happening in the air quality testing, so that the public can make decisions concerning their own wellbeing.

One of the big issues we're facing right now, Mr. Chairman, is whether to bring elementary school children back down to ground zero to be going to school in their schools again, and I don't know what to tell parents. I don't know what I would do if I were the mother of an elementary school child.

We did reopen Stiveson (ph) High School. The kids are going to school. The air is being tested, but there's a lot of what we're now calling World Trade Center cough, respiratory, asthma problems, and no one is quite sure whether we should go with the younger children.

So, Mr. Chairman, I think this would be a good matter to hold a hearing about when we get back after the holidays to try to figure out what we should be doing and how we can provide good information.

And, finally, I couldn't have the administrator appear before the committee without asking about the Hudson River cleanup. I would like, if I could, a brief update on the record of decision and when you expect that to be sent to the state.

I know that the governor and many of us have been working very hard behind the scenes to make sure that this is carried out the way that we believe it should be, and we're opposed to the agency including performance standards in the record of decision. And I hope that you're going to be able to give me some news today about where we stand in that process.

JEFFORDS: I'm sorry. Your time has expired.

(LAUGHTER)

CLINTON: I'll wait around.

JEFFORDS: Please proceed.

WHITMAN: We hope to have that out very shortly, and I mean very shortly.

CLINTON: Very shortly. Is that like within the time period that I'm no longer able to -- I assume very shortly -- the end of this week?

WHITMAN: We hope.

JEFFORDS: Well, thank you very much. We deeply appreciate your help, and we will be continuing to communicate with you to try to get a better understanding of where we are and where we're going.

I know one question I'd like to sort of end up with is when does zero arrive in the determination of a risk in these situations? Those of us that are involved with farmers know that anthrax is in the fields, and yet we seem to be looking for one spore to close things down. What kind of guidance do we have as to when it's a sufficient problem to take action?

WHITMAN: Well, Senator, there is no background level that's been determined of anthrax in an urban setting or in buildings, and that's why, at the moment, the goal that's advocated by the CDC is zero. That's what we're operating toward.

We have cleaned up three offices thus far in the Hart Building, and they are showing no sign of contamination. They have been successfully remediated. We have overseen the remediation of a couple of post offices in Florida, where they did call us in -- at Brentwood, they have not -- to take a more active role, and those have been cleaned and show no background.

So we're comfortable that we will be able to reach that understanding. As you say, anthrax is a naturally occurring agent, not in the kind of form and milled to the fineness that the anthrax in the letter to Senator Daschle was milled. That was very refined. It was able to get through the envelope itself without even having to have been opened. They're finding that, in fact, it could get through the paper itself.

So this is a different type of contamination of anthrax. But the CDC is looking at this, and the CDC will make the determination of what is safe, whether there is a safe level of anthrax for human exposure. And until that time, until they make that kind of determination, we will be going for the goal of zero anthrax, and, thus far, we have seen that.

JEFFORDS: You mentioned that Presidential Decision Directive Number 62 needs improvement. What changes do you think may be necessary to strengthen the Presidential Decision Directive 62, and do you anticipate recommending these changes to the president?

WHITMAN: We are working very closely with the Office of Homeland Security.

WHITMAN: We're working through lessons learned on this whole issue and analyzing where we think there could be better coordination, where we feel there is more need for focus, for instance, as I indicated, on what we need to provide our responders.

I mean, we've had people in the Hart Building from the very beginning. Initially, they didn't have all of the protective gear that they now are wearing, although we took extra steps right from the beginning. But we need to come to a better understanding of how those determinations are made and coordinate that more closely.

JEFFORDS: Senator Voinovich?

VOINOVICH: I'd just like the statement that I've prepared inserted in the record, and I have no further questions.

JEFFORDS: Senator Corzine?

CORZINE: Administrator Whitman, did I hear you say that you were invited in or requested in in the Florida postal situation and not in others?

WHITMAN: There were three postal buildings in Florida where we were asked to actively oversee and be in the building as they decontaminated. They have moved forward with decontamination. They hired contractors, moved forward with decontamination. We have done the...

CORZINE: Are you supervising the decontamination in Florida?

WHITMAN: We're technical consultants and coordinators. It's not a -- you know, we're not doing...

CORZINE: I think the whole point here that I'm driving at is the same one that we've heard several times here. One time, you're in. Sometimes you're not.

I don't think people are going to take great confidence in knowing that there are broadly different approaches to this, and it's not particularly fair to your staff and certainly not fair to the public at large. And if one thought that the Hart project was going to get the triple-A fashion treatment, and others are not, I think there will be serious misgivings in the public, and rightly so.

WHITMAN: There's no difference in the approach taken and the thoroughness of the approach taken. Anything where we're consulting and acting as technical advisors, the standards are exactly the same for everybody.

CORZINE: If you're acting as technical advisors.

WHITMAN: Right, yes.

CORZINE: That's a big difference across the way, and this is not like you're going to have 100,000 incidents. We hope it's not going to be the kind of thing where you have to have a lot of practice. So where the best practices reside, I think the public has a reasonable right to expect that we apply them on a consistent basis.

Again, I want to underscore multiple times this idea of trying to get to best practices and making sure that we have a coherent and consistent protocol on how we deal with this.

JEFFORDS: Senator Clinton?

CLINTON: I just want to be absolutely clear that EPA has not been asked for help with the anthrax contaminated buildings in New York.

WHITMAN: No. The NBC buildings were done -- they had private contractors that did that.

CLINTON: And the postal facilities?

WHITMAN: In New Jersey, they've not done anything at the Hamilton facility. That remains closed to date. We have an on-scene coordinator there working with them.

CLINTON: What does that mean, though? If you've got an on-scene coordinator, what level of responsibility does that suggest?

WHITMAN: If we were to determine that the cleanup was not thorough enough, that the capabilities did not exist with the on-scene coordinator or whomever was doing the actual decontamination, then we could go to court to supercede them, to come in and oversee the actual decontamination.

There is an entire protocol of response, as you know, that on- scene -- the first people on the scene usually are the local responders, and they are the ones who are the responsible party for seeing it through to the end. Working very closely with the federal government, depending on who's needed, they will bring in the national response team, and that is made up of all the different agencies. So it depends on what the threat is, what the problem is, who is involved in it.

CLINTON: But you're not involved in Morgan (ph) Station, which is a very large postal facility in Manhattan, at all?

UNKNOWN: (OFF-MIKE)

WHITMAN: Could you hear that answer?

CLINTON: Yes, I did. Let me ask, too, about the protocol for dealing with the waste that comes out of these buildings after they are decontaminated. I think there was an article about Tom Brokaw's desk being sent to some waste disposal facility.

Is there an existing protocol yet about what we do with the hazmat suits, with the vacuum cleaning equipment, with desks or other pieces of furniture, or carpeting that has been infected? Is the waste going to a hazardous waste facility? Where are we in the process of figuring out what we do with this?

WHITMAN: It's all treated as hazardous waste and taken to appropriate hazardous waste disposal facilities.

CLINTON: Even if you're not involved.

WHITMAN: We have an on-scene coordinator who will make sure that nothing is overlooked in terms of the public safety. We don't make the final decisions. Senator Corzine was looking for kind of a set pattern of how it happens. There is really a set pattern. There's just not a set response.

What we will do is once there's been a determination that there is a biological agent that poses a threat to human health, we will have an on-scene coordinator onsite, overseeing to make sure that those handling the actual decontamination are handling that appropriately and that the waste is handled appropriately as well.

But we can't force them to do things. We don't have the legal authority to force them to take actions. We can suggest, we can recommend, but the only way we could force is to go to court to supercede them as the primary responder.

CLINTON: So a city could make its own decisions, a county. Could a private facility basically decide they were going to handle it on their own and not have...

WHITMAN: Yes.

CLINTON: If there were another incident in New York, you could have a private company say they didn't want the New York City first responders, they didn't want the EPA, that they were going to do this all by themselves? That's all permissible under the laws that currently stand?

WHITMAN: They could make that determination. But if it was determined that, in fact, there was a biological or chemical agent there that posed a risk to human health, we would have an on-scene coordinator, and if we felt they were doing something to jeopardize people, then we could go to court to supercede them. But, no, you're correct in saying that they have the primary responsibility for decision making.

CLINTON: Well, it's clear I think we have a lot of work to do thinking this through, Mr. Chairman. I thank you for having this hearing.

"CNN Capital Gang," CNN, 12/15/2001

Senator Clinton appeared on NBC's "Meet the Press" last Sunday, and is the subject of the cover story in tomorrow's, Sunday's, "New York Times" magazine. Al Hunt sat down with her on Capitol Hill earlier this week.

(BEGIN VIDEOTAPE)

HUNT: Senator, your first experience in a legislative body, you started at the top. How is the Senate different from your expectations?

SEN. HILLARY **CLINTON** (D), NEW YORK: Well, I didn't know what to expect. It's turned out to be an extraordinarily positive experience for me. I have felt very welcomed by my colleagues. I feel like I've been able to get a lot done this year.

HUNT: Your proudest moment?

CLINTON: Well, you know, Al, I think it's hard to call it the proudest moment, but the fight that we've had to wage on behalf of New York's needs since September 11 has, you know, focused every cell in my body. That honor was just, you know, extraordinary, to be able to stand on the floor of the Senate and speak on behalf of the people who had demonstrated what America stands for so well.

HUNT: In New York City, the federal government has committed \$20 billion. Is that sufficient, or will the city have to come to the federal government for more money?

CLINTON: I don't believe that is anywhere near sufficient. It was a great vote of confidence for New York, when the president and the Congress stood behind that \$20 billion. We've had to fight very hard to get about \$12.5 billion in terms of what the administration has provided and what we voted for in the Senate.

Our needs are so much greater, and particularly when it comes to rebuilding New York. We have not only the World Trade Center site to think of, we have all the underground damage that destroyed subway lines, the path train coming from New Jersey. We're going to have a lot of expensive rebuilding. But I'm confident we're going to get the support we need.

HUNT: September the 11th affected everyone. You and Mayor Giuliani afterward overcame a long-standing animus and worked very closely together. Was that a spirit-of-the-moment change, or do you think you and Rudy Giuliani really have an enduringly different relationship now?

CLINTON: Well, I hope it's the latter. You know, I have the greatest of respect for the mayor. His courage, his resilience, his demonstrable love of New York is just inspiring, and we saw that in action on September 11 and in the weeks since. And I hope that whatever he chooses to do next in his life will bring him a lot of happiness, and I imagine he'll be, you know, still involved on behalf of New York, which he truly is absolutely dedicated to doing everything he can to help.

HUNT: As you know, there's never any shortage of Hillary- bashers.

CLINTON: Oh, no.

HUNT: Yes.

CLINTON: Oh, Al.

HUNT: One, TV talk show host Bill O'Reilly is assailing you now for what he charges is indifference to the families of 9/11 victims. He says you have only attended three memorials services. Your response.

CLINTON: Well, you know, he assails me for something nearly every day and I -- I feel sorry for him. I have done everything I can, not only attending the memorial services that were held in New York and in Washington, going to the funerals of the people that I knew personally. I do not believe after a long lifetime in and around politics that people should thrust themselves into private grief just because they're politicians.

So I was privileged to go and speak at the funerals of the two people I knew, one of whom was the chaplain, who was a great man, as everyone now knows. I've also worked very hard to meet privately with a lot of the families and the victims. I'm working very hard to make sure that they get the help they need.

HUNT: Will there be a public role for Bill Clinton in the next year, and what might it be?

CLINTON: You know, Al, I think that he has a very busy agenda that includes a lot of public activities. Certainly the work he's done on earthquake relief in India, on HIV-AIDS in Africa, where he's assumed a position with respect to the AIDS Trust. I think that he will begin holding conferences and speaking out on a lot of the important issues facing our country and the world.

HUNT: Is he a good political adviser, too?

CLINTON: He's the best.

(END VIDEOTAPE)

"CNN Live Today," CNN, 12/18/2001

JUDY WOODRUFF, CNN ANCHOR: As we have been reporting, there's a great deal going on here in Washington as Congress prepares to leave town. Those talks are continuing on an economic stimulus package. And a sweeping education bill today passed the Senate by a large majority. New York's Democratic senator, **Hillary Rodham Clinton**, joins me now from Capitol Hill.

Senator, thank you for joining us. Was this education bill all that you wanted?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, Judy, it wasn't all that I wanted, or all that I think that the children of our country need. But it was a step forward in the right direction, because we were able to target the money, called title 1 funds, more effectively for the poorest of our children in the highest need districts.

And you know, that's really important for a state like New York, because we have a lot of cities, from New York to Buffalo, that, you know, are really trying to educate children who have a lot of needs when they walk in the door.

WOODRUFF: Senator, CNN has learned, one of our reporters, Dana Bash, was telling us a little bit earlier today that last week there was a meeting in which you and other Democrats in the Senate met, sat down with Senator Kennedy, and urged him not to go forward with this bill unless there was more money forthcoming from the White House.

Now, that money -- more money was not forthcoming, and yet the bill passed. You voted for it. Did you change your mind here?

CLINTON: Well, Judy, ever since last spring, I have said the very same thing. I believe that we should have both high standards and more resources. And that will give us the kind of results that we need from our school system.

And I think we made some real progress. We got more money than initially was offered by the administration. What we were particularly concerned about, though, in the weeks leading up to this vote, is the failure to support the Senate bipartisan commitment to fully fund special education. I was very proud of the Senate that we did, during the education

debate, pass an amendment which made very clear that, finally, the government was going to support local districts in the very big expense of paying for special ed.

Unfortunately, the House and the administration did not go along with the Senate's bill. And we, after a lot of negotiation, were not successful in moving that forward. We will be back, however, because, as I travel around New York, the cost of special education is something I hear about from one end of the state to the other in every kind of district.

So, as I say, it was a step forward. It wasn't everything I would have wanted or that I believe is needed. But it was enough that I particularly felt comfortable supporting it because, in New York, we are suffering from the effects of 9/11. We have a tremendous loss of revenues. And this will bring hundreds of millions of new dollars into the state.

WOODRUFF: Senator, I want to turn now to the economic stimulus, so-called economic stimulus plan. The president is pushing very hard. He is working, as we know now, with Democratic centrists in the Senate to try to put pressure on -- not just on the leader, Tom Daschle, but on you and other Democrats who have wanted a different approach to stimulating the economy.

And the president, in so doing, Senator, is portraying Democrats as being the ones who are against those who have been laid off here. What's going on?

CLINTON: Well, I think a little partisan politics may have reared its ugly head, because, certainly, the priority that I have and that many of my colleagues share, is to take care of the people we promised to take care of when we first passed the airline bailout bill.

If you remember -- I sure do -- we were told that we needed to do that. I voted for it because I wanted people to start flying again and I wanted our airlines to have the support they needed. But we wanted at that time to start taking care of people who had been laid off, who had lost their jobs and lost their health care. We were promised that we would get that kind of help. And still we are fighting for it.

And, you know, a lot of what is being proposed here has no economic basis. It is not going to stimulate the economy. And it is not really meeting the needs of the people who are most at risk of having been affected by this 9/11 tragedy.

WOODRUFF: But the president and the White House are portraying the Democrats as the obstructionists here, preventing health care assistance for those who have been laid off.

CLINTON: Well, it would be very easy to solve this. All we have to do is increase the Medicaid matching rate so that states all over the country that are having terrible times with their health care needs can take care of people, provide extended unemployment insurance, and subsidize the COBRA payments for people who are COBRA eligible, not with some kind of a tax credit, which most people would not be able to afford, but with the kind of subsidy that the Democrats have offered. And we could have a deal and be home for Christmas.

WOODRUFF: Senator, two very quick questions. One is, the White House is now saying the president may move during the holiday recess to nominate -- to go ahead and make some recess appointments, people who you and others in the Senate have not agreed to. Is that a smart move on his part or not?

CLINTON: Well, we would have to wait and see who he is going to be nominating. I think that the committees handling nominations have proceeded very efficiently. They have certainly confirmed more people than sometimes was done in the previous administration by a different Congress.

So I will have to wait and see who is nominated. I'm interested in quality people. I know that the president has a right to nominate those with whom he agrees. But I think some positions call for a more balanced approach. So I'll withhold judgment until I see who the people are.

WOODRUFF: And, finally, Senator, do you agree with your colleague, Senator Schumer from New York, that what needs to happen is for the Super Bowl to be moved to Giants Stadium outside New York City from New Orleans?

CLINTON: I want as many big events in New York as we can possibly get. That includes the Super Bowl. That includes both political conventions. I would like to see the Congress convene in New York, as the very first Congress did in the beginning of our country. I would like to see the Olympics come to New York.

We want to move as much as we can to demonstrate that New York is still the capital of the world. And we are open for business. We want people to come. And these would be good steps to do that.

WOODRUFF: All right, Senator **Hillary Rodham Clinton**, thank you very much.

CLINTON: Thank you. Happy holidays to you.

WOODRUFF: And to you.

"Larry King Live," CNN, 12/18/2001

KING: Joining us now in Washington is Senator **Hillary Rodham Clinton**, Democrat of New York, a member of the Health, Education, Labor and Pensions Committee, of course, the former first lady; and in New York, Dr. Kerry Kelly, chief medical officer of the New York Fire Department, has been with that department for 20 years. Her father and grandfather were firefighters. She testified before the Senate about the need for mental health resources for firefighters and public safety officials in the aftermath of September 11. That's what we are here to talk about.

But I want to ask one question of Senator Clinton first. What do you make of this John Walker thing? And as a lawyer, what do you make of it?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, Larry, I think that we are learning more. I don't know how reliable the information is and how accurate his own words even are as to what he experienced and what he observed. I'm pleased that he is in American custody and I hope that he is providing useful information to those who are questioning him.

You know, the president will be making a decision about how he should be treated. And we'll wait to hear that decision. But I think what's really a significant difference between what we see when we hear this young man talk about taking up arms against his country is the hundreds and thousands of young men and women who are putting their own lives at risk defending not only our country, but the rights of people to be free from terrorism. And, you know, as we go into this Christmas season, we all ought to be grateful for, you know, their commitment and service.

KING: All right, Dr. Kelly -- and we'll get the senator in on this of course -- what are the needs with regard to mental health in the aftermath of 9/11?

DR. KERRY KELLY, NEW YORK FIRE DEPARTMENT: I think you have to look at our membership and realize the experience that they have gone through. Our entire membership has really been exposed to the events of 9/11, both in their response from the initial alarm that went in. They were there during collapses. They have been there in rescue and recovery efforts 24 hours a day, seven days a week, since that event.

They have been busy trying to rescue and now recover the bodies of loved ones and civilians. And their exposure has been tremendous to really a very overwhelming event. And I think it is important that we supply the emotional follow-up for these members so that we can keep them healthy both physically and mentally.

KING: Senator Clinton, is there funding for the psychological end of this problem?

CLINTON: Well, Larry, Dr. Kelly testified before our committee. And I was very struck by her personal experience. She was there doing the work that she has done for all those years, taking care of people. And so she not only has the responsibility of taking care of those in the department, but she has firsthand experience of the real terror that was experienced by so many, in addition to the loss of life.

So I went to work to get some additional funds. You know, the fire department does take care of its own. And I think that is one of the really admirable characteristics that everyone is seeing, that this is a, you know, a real extended family, where people, you know, look out for each other and are going to be there day in and day out. But Dr. Kelly knew from her own work and from the work of others who've dealt with disasters and tragedies that there would be a lot of mental health and counseling needs. And so I was able to get some additional dollars, about two and a half million, to go to firefighters and the emergency personnel who were there working on 9/11 and who have been involved in the aftermath.

And I just have to commend Dr. Kelly and, you know, her team and the people who are working so hard to provide for all of the needs that we are seeing in this holiday season, but that we know are going to go on for months, and months afterwards.

KING: Dr. Kelly, other than the obvious, what is the biggest emotional problem people face after loss?

KELLY: I think in addition to the grief process, which has really been extended because we have had memorial services and funerals that began soon after this event and have continued and will continue through, people are dealing with their own stress reactions. They are dealing with the aftermath of being at this event and dealing with being part of a terrorist attack. And I think sleep disturbance and anxiety are not unusual after an event such as this.

KING: We often, Senator Clinton, have concentrated on the physical aspects of things and the mental aspect have generally been put aside historically. Has that changed?

CLINTON: Well, I hope it is changing. And, you know, leadership from people like Dr. Kelly and others are really helping us understand that, yes, the physical has to be dealt with, but the grieving process and the healing that has to go on not only affects those who lost loved ones and colleagues, but, you know, it really ripples out through the whole society.

The day that Dr. Kelly came to testify, we had some others on the panel who had worked in previous disasters. And they warned us that we were going to be seeing a lot of fallout from this. And I'm hearing it more and more. You know, we saw the tragic suicide of the wife of one of the victims just a little over a week ago. I have been meeting with so many of the victims' family members. And they are being brave and trying to go on, especially when they have children to care for. But they are asking for, you know, somebody to talk to. Some of them need some additional help. And what we are trying to do is provide it in appropriate ways. And that is why trying to get extra resources for the fire department to be, you know, funneled through the experts like Dr. Kelly, is one way of doing it, making it more readily available in society at large so that people can see seek it out is another.

But we have to be ready to deal with this for, you know, sometime to come. I was talking with some people from Oklahoma City who said that, you know, there are still some of the rescue workers and survivors who are just coming to grips with what happened there. And this is going to be a long-term commitment all of us have to make.

KING: Now, Dr. Kelly, you grew up in a family, your grandfather, your father are firefighters. Is any of this grief tempered by the fact that the families knew they were in a high risk occupation to begin with?

KELLY: I think people in this profession realize that they take risks. And they are fully aware of that, although this event was clearly something on an extraordinary level. But I think the family aspect of this has made the grief deeper.

We have over 65 fire houses that have lost more than one member. Some have lost 10 to 12 members. We have 60 to 70 siblings who have lost a sibling on the fire department and yet still are back at work. We have fathers that have lost sons. We have sons that have lost fathers. So the family of the fire department has really suffered a great loss. And we need to help people heal. And I think that can be done through an approach that recognizes that each firehouse has its own identity and family, and that we need to get counselors into the firehouses along with peer counselors and trained clinicians to work to address the issues as they are occurring in the firehouse and meet the needs of the individuals who need more individual counseling.

KING: Senator, how are you doing with the idea of tax relief for the widows?

CLINTON: Well, we got it through, thank goodness, Larry. The end of the day in the Senate, we were able to pass the Tax Relief Act so that families will not have to pay income tax and families that didn't make enough to pay income tax, but had, obviously, payroll tax costs are going to be given \$10,000 as a way of making that up to them.

I was really pleased that we were able to get this done. A lot of people needed this money. They needed to know that they were going to be able to plan. We have lots of employers who had already written checks and had not taken any income tax out because they read that the Congress had passed it.

So this was an early Christmas present for a lot of families.

KING: And Dr. Kelly, the attorney general says the families are going to get at least 500,000, probably not more than 3 million, 50,000 immediately. Does money help in the emotional area?

KELLY: I think there is not one person that would not give up all that money to bring back their loved one. Certainly, having some financial security is important, and I think that is what helps our firefighters, when they go into a dangerous situation, know that their families will be cared for.

And that is a given that the families are important to us in the fire department, and we will make sure that they are cared for, that we have a commitment to these people. But the people are missed so greatly.

KING: And Senator Clinton, are you supporting the proposal by Senators Lieberman and McCain for an independent commission to look into the events of 9-11?

CLINTON: Yes, I am. I called for that earlier this week, and I'm glad that the Senate will help put together such a commission. I'm also sending a letter to the president, because I think there are ways that the federal government could also participate from the executive branch, in this investigation. But I think everyone needs to have a professional investigation to learn what we can learn, so that, you know, if something like this doesn't happen, if it can at all be avoided, we are going to try to prevent every possible terrorist attack, but in the event of an attack we want to make sure we have taken every precaution to save every life possible

KING: Happy holidays to you both. Thanks for being with us.

CLINTON: Same to you Larry, thank you.

KING: Senator **Hillary Rodham Clinton** in Washington, Dr. Kerry Kelly, chief medical officer, New York fire department in New York. When we come back, we'll have two congresswomen discuss the John Walker matter.

And later, Rangers from Fort Benning, don't go away.

"Greenfield at Large," CNN, 1/17/2002

GREENFIELD: Tonight, a conversation with Senator **Hillary Rodham Clinton** on the nation and the world after September 11, on GREENFIELD AT LARGE.

Little more than a year ago, New York state's new junior senator might well have been thinking she was headed for a quieter harbor. For eight years as first lady, she found herself at the center of enumerable storms, from the health care plan she shaped to her role as one of the most politically involved first ladies in history, to the Whitewater probes, to scandal and impeachment, and to her unprecedented, ultimately successful run for U.S. Senate seat in a state she'd never lived in. And now it was time to take a breath, learn the job, and maybe think about future possibilities.

Then came September 11. A world turned upside down, a nation at war, thousands dead, and tens of billions of dollars lost to New York, and a whole new set of questions about politics and policies and presidents, present and past.

Senator Clinton, welcome.

That's a summation of the last year of your life.

SEN **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you, Jeff.

GREENFIELD: Let's start here in New York. The city is going to face at least a \$4 billion deficit, probably worse than that in the year to come. The economic damage is in the tens of billions of dollars.

After September 11 the president said: New York would get what it needed for its economic recovery. Is that happening?

CLINTON: Well, we have gotten a good down payment on what we need, and there's a lot more that has to come.

You know, earlier today I was at a very large meeting where I listened to workers who lost their jobs, people who have lost their health insurance, widows who don't know how they're going to keep the insurance that they need for their children and themselves, small businesses that are suffering. It was just a litany of our unmet needs.

But there was a real spirit in the room that we would continue to demonstrate to not only the president and the administration and our colleagues in Congress, but to the entire country, why New York has to have America's help.

GREENFIELD: One of the areas where help was designed, and has now been an area of controversy, is the Victim's Compensation Fund that Congress passed. There's a rally in New York tonight where families felt that there was a series of unfair elements in that bill. Let me just ask you straight out, the idea that the family of a corporate executive might get millions, while the family of a dishwasher might get 1/50 of that, is that fair, in your mind?

CLINTON: Well, you have to remember what the purpose of this fund was. You know, it really was an effort to try to balance the immediate and long-term needs for families against the uncertainty of going into the court system trying to obtain the relief that was needed, and maybe not seeing any of it or seeing something in years to come.

And I think the Congress and the president in signing it really did a very noble thing in saying: Look, we need to try to eliminate that uncertainty from the lives of these victims.

Now, the legislation that was passed was not everything I would have wanted; there were restrictions in it. But it was based on our existing idea of how we compensate for death actions, wrongful death actions when you go to court. And fairly or not there are differences, because people get compensated on the basis of lost wages and future income that has been lost.

GREENFIELD: Do you want to see any part of that legislation -- I think it passed unanimously -- do you want to see any of that changed?

CLINTON: Well, first, I would like to see some of the proposed regulations changed. And I've written to the special master, of whom I have a very high regard...

GREENFIELD: Ken Feinberg.

CLINTON: Ken Feinberg. And I asked him to reconsider some of his preliminary recommendations, because I think there were some clear areas of unfairness. Issues like having to prove temporary or permanent disability, and having had to go to a doctor within 24 hours in order to be considered someone eligible for compensation for medical harm; that, I think, we need some discretion.

I didn't like the idea that many of the widows who feel that, you know -- their husbands worked very hard and built up, you know, life insurance and pensions, they weren't going to be getting anything, because...

GREENFIELD: Because the pensions and life insurance are...

CLINTON: It has to be deducted. But I thought there was a way of fixing that, which is to deduct it from the so-called economic damages, but not from the non-economic damages for pain and suffering.

I gave some ideas that I hope the special master takes into account.

GREENFIELD: Let's broaden this out. Because September 11 hit the world and it hit the United States, big argument about what's to be done about the American economy in the months ahead.

Just yesterday one of your colleagues, Senator Ted Kennedy, said he thought one thing that should be done is at the later years of the tax cut should be delayed. Should it?

CLINTON: I thought Senator Kennedy made a very good argument, really following up on Senator Daschle's argument of a few weeks ago, that the world changed on September 11. Even those who supported the large tax cuts back in the spring have to recognize that we've suffered some very damaging blows to the economy that are directly related to September 11. And maybe we ought to take a look at the changed circumstances and act according to what has happened as opposed to what was projected last spring.

GREENFIELD: So is that a yes or a no?

CLINTON: Well, I favor postponing it.

GREENFIELD: You do?

CLINTON: Yes, I do. But I favor it for several reasons. I think, economically, it is not in our best interest to try to fight a war, prepare for our homeland security and invest the billions of dollars that we need, rebuild New York, take care of the rest of America's needs and try to

do it while we're pushing ourselves back into deficit and taking money out of Social Security and Medicare.

GREENFIELD: And yet we're in an election year. Twelve of your fellow Democrats voted for the Bush tax cut plan that you and most Democrats voted against, and some of those Democrats are up for re-election in what are now called the "red states," states that went heavily for Bush: Tim Johnson of South Dakota, Baucus of Montana.

Do you think the idea of the Democrats, as a group, urging for a delay of these later tax cuts, which is going to be described as a tax increase, is going to be politically damaging to some of your colleagues?

CLINTON: I think each senator has to make that judgment for himself or herself. You know, I'm not going to substitute my judgment for theirs. Many of my colleagues who did vote for it thought it was the right thing to do last spring. But I...

GREENFIELD: But you can see the politics of it...

CLINTON: Oh, sure, sure...

GREENFIELD: Vote for Tim Johnson, and you'll get Hillary Clinton and Ted Kennedy in leadership positions, and they won't give you your tax cuts back.

CLINTON: You know, I don't think it's fair to characterize what Senator Daschle or Senator Kennedy or I say as saying that, you know, we're not in favor of tax cuts.

I voted for an alternative that was supported by the majority of the Democrats last spring that I think would've been a good bargain. It would've had affordable tax cuts, and they would've been more targeted toward people who really need the tax relief.

So I think there is still room for tax cuts. In fact, I would like us to really do more to help lower-income, middle-income people and particularly to try to make sure that the unemployment insurance coffers are filled and the people get their health insurance.

GREENFIELD: Well, speaking of the economy, Enron is in the news, as you may have noticed.

CLINTON: I've heard that.

GREENFIELD: And one of the things that is happening, something that you were familiar with in your day at the White House, there's been a lot of -- you know, 10 congressional investigations, 10 separate investigations.

One of the issues is, you have Attorney General John Ashcroft who said: You know, I got \$50,000 in Enron contributions in my last Senate campaign, I better step aside. Some of the Democrats who'll be chairing the panels -- Jeff Bingaman, for one; he was the second biggest recipient of Enron funds among any Democrat. Is sauce for the goose, sauce for the gander here? Should the Democratic chairs who got substantial Enron contributions recuse themselves from heading investigations?

CLINTON: I don't think so, Jeff, and I think that for several reasons. First, I have the highest regard for my colleagues, both Democratic and Republican, to be able to conduct thorough and fair investigations, and congressional investigations are different from executive authority, particularly out of the Justice Department, that might make determinations about who would or would not be criminally prosecuted.

But I think that the bipartisan investigations that are now under way in both the House and the Senate, you know, hold great promise, both for figuring out what happened -- it's a very complicated situation -- but also for coming up with recommendations so that something like this never happens again.

GREENFIELD: You say they hold great promise, and I guess one of the reasons that might surprise me just a bit is that you were on the other end of an investigation machine that went on for the better part of eight years. From your experience, do you have any advice

for your fellow Democrats chairing these Senate committees about how to do this and how not to do it?

CLINTON: I don't have advice just for Democrats or just for Republicans or just for the White House or anyone else other than to say that this is a very serious matter. You know, thousands of people have seen their financial security wiped away. The implications of what happened for our financial markets are extraordinary.

You know, we run a free-market, capitalistic system that operates on good information. We've got to make sure that we get accurate information.

So I think that there are policy implications that go to the heart of our market system and go to the heart of the government's role in regulation, and I think that's why it holds promise because we need to know what we should do.

GREENFIELD: Do you know any major Senate investigation in either of our lifetimes that hasn't been surrounded by politics one way or the other?

CLINTON: Well, politics is the lifeblood of our democracy. You know, it is the way we make decisions. It's not just something that happens in Washington or in a congressional investigation. It's, you know, how two or more people in America figure out in a democratic way what they're going to do. I think that's all, you know, part of our system.

GREENFIELD: Do you think the tone in Washington -- we've heard a lot about the tone -- is different than it was during the days when Bill Clinton was in power? Is there less polarization on both sides than there was, you think?

CLINTON: Oh, I -- you know, I think there has been an effort. And certainly, the united fronts that we've all had in support of the president and our men and women in uniform in the war effort demonstrates America at its best and our American political system at its best.

There are legitimate differences. You know, I have a difference about the economy than some of my friends on the other side of the aisle. I come from the, I guess you could call it the Clinton-Rubin school of economics. I think we knew what worked, and I would like to continue doing what worked, rather than veer off and make a U-turn to the past, which I don't think worked well for our country.

I don't consider my disagreement on an issue like that to be disagreeable. I think it's where I come from and where someone else on the other side might have a different point of view.

GREENFIELD: We're going to take a break. We'll have more with Senator **Hillary Rodham Clinton** after this. Please stay with us.

(COMMERCIAL BREAK)

GREENFIELD: We are back with Senator **Hillary Rodham Clinton** for the duration of the show.

Senator Clinton, what should be done at ground zero? You have an opinion?

CLINTON: I think we have to have a process that includes everybody, Jeff. My opinion is no better than anyone else's, and I would like to make sure the victims are included.

I do think we have to come up with a plan that revitalizes downtown, that puts commercial and retail activity back there, that, you know, perhaps has some entertainment complexes that can bring people downtown, that takes account of the great neighborhood that was there before September 11. You know, there were so many people living there, there were a lot of children there, there were playgrounds and elementary schools.

And then there has to be just the most profound, moving memorial that the mind can devise. You know, I've read a lot about some of the history of memorials, and, you know, when you think of the Vietnam War memorial, for example, you know, that was controversial at first, but now people are just so grateful that Maya Lin had that vision of what it could be.

If you go to the Mall in Washington and see the new Korean War Memorial, it's very different than the Vietnam War memorial, but I've talked to a lot of Korean War vets who say it captures the experience.

Oklahoma City, with those empty chairs. You know, something...

GREENFIELD: Something to memorialize it.

CLINTON: Oh, something absolutely that will give maybe some, you know, some not comfort, but at least recognition to everyone who died.

GREENFIELD: We talked about how everything's changed since September 11. One of the things that's clearly changed is the way President Bush is being seen. I mean, he came into office under the most unusual circumstances imaginable. Certainly a lot of Democrats and some late-night comedians used to constantly put on the table that this guy maybe wasn't up to the job; too casual.

Now, I'm hearing even from some Democrats, frankly, that they say, you know: We're really happy that he and his team are there, seasoned people: Dick Cheney, Rumsfeld, Rice, Powell.

Are you surprised? Are you surprised by how the president has stepped up to this challenge that nobody could have expected any president to have to face?

CLINTON: Oh, well, I'm grateful that he's not only stepped up to it, but done an extraordinary job leading the country, putting together the coalition that has gone with us into Afghanistan.

GREENFIELD: I understand grateful, but what I'm asking is, did he step up in a way that surprised you a little, given what you might have thought of him and what a lot of Democrats thought of him during the campaign?

CLINTON: You know, Jeff, I guess maybe I've been around politics, and certainly around Washington long enough to know that you don't know what someone will do in a crisis or a disaster until it happens. And certainly, given his background, his father being in politics, his grandfather being in politics, I'm, you know, very aware that when some kind of terrible crisis strikes, that's when people are tested.

And certainly, you know, the team that he had in place and his own leadership has, you know, met the test of leading our country forward.

GREENFIELD: No more jokes. No more talk about dimpled and hanging chads certainly. This makes him, in a straight-out political way, a much more formidable figure, doesn't it?

CLINTON: Well, understandably so. I mean, we're at war. And we have a lot of adversaries around the world who wish us ill, and we're all going to stand behind our president. We only have one president at a time, he's our commander in chief, and I've tried to be as supportive as I could, not only politically and publicly, but even privately, because I have, you know, some idea of the burdens that anyone in that office bears, and, you know, I'm very pleased that, you know, he's demonstrated such leadership and pulled us together.

GREENFIELD: Speaking of presidents and their assessment, the House and the Senate Intelligence Committees are about to take a long and probably very tough look back at what led up to the failures of intelligence. And it clearly seems to suggest in part that the legacy of all the past presidents, and most immediately and especially Bill Clinton, may be thrown on a different light.

I was struck by something that a member of one of President Clinton's intelligence panels said, Lauch Johnson (ph). What he said basically was that he thought Clinton's legacy will have to drop a few notches, his priorities were out of balance, there was too much focus on the domestic side. And I want to show you in this regard a very recent CNN/USA Today poll.

We asked the country: What do you think about the job President Clinton did on the economy? And the numbers were extremely high: 80 percent said very good or good.

Then CNN-USA Today gallop asked: What about terrorism? And the numbers were way worse: 48 percent rated him as poor or very poor.

He is said to care a lot about his legacy. Do you think this is going to put him in a different and darker light?

CLINTON: Well, based on what I know, I don't believe so, because I think that the evidence is very clear that there had never been more emphasis before on terrorism as there was in that administration, and there were some real successes. You know, there were a lot of things averted, including the attempted millennium attacks.

But I don't think anyone can argue with the fact that we didn't have the coordination. It was very difficult to get. We didn't have the legislation, sometimes despite the best efforts of the Clinton administration to try to have legislation to track money and to do some of the things that we thought was important at the time. After September 11, whatever shortcomings or lack of coordination no longer could be allowed to continue.

And I think that what really has to change is the culture in Washington and the bureaucracy in Washington and the turf protection in Washington, so that different agencies have to coordinate and they to be made to work together.

I mean, one of my concerns is that, despite his very good intentions and best efforts, that's a struggle for Governor Ridge in the White House. You know, because I've seen it before -- anyone who has been around Washington has -- how difficult that is.

GREENFIELD: But the idea that, for instance, the former CIA director, James Woolsey, whom your husband appointed and then replaced, said that this is basically a public relations response in terrorism. He said that in so many words.

September 11 has to have changed a lot of people's views on everything. And while some it may be second-guessing, is it something that causes you and the former president concern that it is going to be seen as being so focused on the economy and on domestic issues that this somehow wasn't given the attention it turned out to have needed?

CLINTON: You know, Jeff, I just don't think that's a fair assessment. You know, but I will certainly wait to, you know, learn with everyone else.

But, you know, there was a tremendous effort made, and a successful one, to track down and capture and punish the bombers. There were efforts made to try to get people who are now our allies, who were frankly not our allies before -- we didn't have the level of cooperation internationally from people who had any kind of control over or knowledge of someone like bin Laden and his movements.

You know, so I think that it's always easy to look back and say what you could have or should have done. But the facts are that, I think, there was a tremendous amount of intention. I know that it went from the top down through the government. But certainly things not only during that administration, but in the first eight months of this administration, if people had known more they would have done things differently. They would have forced changes that they couldn't otherwise have gotten done.

GREENFIELD: One of the tougher questions, I think, that may be raised in this, and I'm just going to put it out there. August 1998, attacks on the American embassies in Tanzania and Kenya: The work of Osama bin Laden. Virtually, the same time, almost to the day, when the president had to come to the country and say he misled you and the country about the Lewinsky affair and that began the months-long process of impeachment.

And the question that I'm thinking about is, there was so much argument back then, which I don't intend to revisit, about what's private and what's public, that I wonder if, in the cold

light of day, we might think that when a president of the United States is so embroiled in what might otherwise be a private matter that it might take his energy and focus, as a fight for political survival has to, that that, in a sense, becomes a public matter just because it's the president and nobody else.

CLINTON: Well, I can only say from various firsthand observation that it did not. I remember that month very well. I went out and spent a lot of time with the families of the victims of the embassy bombings.

We were out at Andrews Air Force Base for a memorial service. And Bill and I went, you know, table to table, and I can remember, you know, fathers of young men and women who were serving our country, either civilian or military capacity, saying, you know: We've got to try to do something, Mr. President.

And, you know, Bill was obsessed with it. They had people on the ground already. They'd already had directives about covert actions; something people didn't know. And they had intelligence that led them to believe that bin Laden would be in a certain place. And, of course, you know, they tried to take him out at that time.

GREENFIELD: So the fact that he was about to fight for his political survival, as far as you're concerned, just had no impact on whether he was able to focus simultaneously on this fight?

CLINTON: Well, I can just tell you firsthand, it did not. Obviously, that controversy was not of his making. We'll let history judge whether that was something that ever should have happened in the first place. But it did not take away his obligation to the country.

And remember, the embassy bombers were caught within about 30 days or so -- I can't remember the exact timing -- from the time that they bombed the embassies. So it was a quick response. Unfortunately, the cruise missiles missed him. But we now know how difficult it is. We have troops on the ground and we haven't found this man yet.

GREENFIELD: Because we're close to the end, I want to give you a chance -- I mentioned to you at the outset that **Hillary Rodham Clinton** as a lightning rod is not exactly new news. But we get a lot of e-mails when we book someone. So I want to just -- this is a great chance for you to just respond directly. We've got a few of these.

"Could you please ask Mrs. Clinton why she never visited any World Trade Center victims in the hospital or attended funerals of those who were killed in the terrorist act?"

CLINTON: You know that's -- you know, it's so sad. There is -- there is just no truth to that. And, you know, I went to the funerals of people whom I knew personally. I do not believe that public figures should go uninvited to private funerals. I went to all of the memorial services. And I also have visited in the hospital one victim and met with many, many, many other victims who were either out of the hospital or who lost a loved one. I've tried to fight very hard for the victims and their families.

You know, it is something, though, that I just know people are going to have questions about because some folks generate that. And, you know, I just have a different attitude than perhaps some people in public life do. And particularly in my position, I don't think that private grief should be intruded upon for political reasons.

And so, there were two friends of mine who died and I went to both funerals.

GREENFIELD: So it almost sounds like you're saying if you had gone to a lot of those funerals, people who held you in a minimal high regard, might have seen you as a publicity seeker?

CLINTON: Oh, I think that, you know, sometimes, you know, you can't do anything to please some people. That's not what I think about. You know, what I am focused on is trying to do the best I can as a senator, not only to comfort people, but to try to fight for them.

GREENFIELD: Got a title for your book yet?

CLINTON: No. Got a good one to suggest?

(LAUGHTER)

GREENFIELD: No, I was just wondering. I mean, have you thought about that?

CLINTON: Oh, yes, I've thought about it. But, you know, I haven't -- you know, September 11 has taken, you know, most of my energy and emotion for the last four months.

GREENFIELD: And yet, you know that people -- the people who paid a pretty good advance for that book are expecting a pretty heads-on, no-holds-barred book. Are they going to get it?

CLINTON: Well, we'll just have to wait and see.

GREENFIELD: When you're at it, I'm not sure I like that answer, but all right.

Senator Clinton, thank you for being with us.

When we come back, from me to you, no more Mr. Nice Guy.

(COMMERCIAL BREAK)

GREENFIELD: And another thing, for those of you into sado- masochism, there's no better example of a master-slave relationship than what goes on between those of us on this side of the screen and those of you on that side. And there's no question about who holds the whip-hand: You do. Except the instrument of torture is the remote control device.

We know -- Lord, how we know -- at any moment, any second, you can wipe us off of the face of the screen, which is why we beg you, stay with us, don't touch that dial, even though we know there aren't any dials anymore.

Well, friends, I have had enough of this pandering. In fact, after reading some of your e-mails -- and you know who you are -- I'm telling you that some of you, a tiny minority, to be sure, do not have enough brain power to light up a 30-watt bulb.

If you don't like a guest, then we're biased for booking that guest, even if we raise some very tough questions with them. If you like a guest, then the tough questions we ask them proves we're biased.

And some of you even wrote in today and said: Since I know you won't ask the right questions, I'm not even going to watch.

Fair warning: I have decided this, no more Mr. Nice Guy. You keep this up, we're going to put your e-mails on the air, names of all, so the rest of the world can fully appreciate your wisdom.

And as for the vast, silent, reasonable majority of you, here is a modest promise: Keep watching us, and you will soon reap wealth and power beyond the dreams of kings.

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEATING ON FY 2003 BUDGET, 1/23/2002

CLINTON: Thank you very much, Mr. Chairman.

And thank you, Dr. Crippen.

And I'm sorry that Senator Gramm has left. I thought his what I inferred to be an offer to repeal the tax cut and put new restrictions on spending sounded like a good place to begin.

Because, basically, what I heard him saying is that we needed to act on both sides of the ledger, which I think many of us around this table agree with. So, perhaps, Mr. Chairman, we've got the start of an agreement that we can work out.

I think, also, the points made by both Senators Stabenow and Snowe need to be revisited. And I certainly, as someone who supported their work on the trigger, would believe that it should be on both sides, that there should be triggers on spending, as well as on tax cuts.

CLINTON: That's the way many states have to operate. You know, that is, to reiterate Senator Hollings' point, why, you know, Governor Bush is having to postpone tax cuts, because you can't run those sorts of deficits at the state level.

And, you know, I've long thought that we ought to be looking at similar mechanisms, understanding the more difficult challenges facing the federal budget. But still, I think there is some wisdom in the states that we ought to try to learn from.

I had a couple of questions, Dr. Crippen. And I thank you for your testimony and for the work that you and your staff have been doing.

But clearly, it is pretty breathtaking that, in less than a year, \$4 trillion of the projected surplus has disappeared. I mean, I don't think we should lose sight of the fact, as we go back and forth in our discussion, that that's really what you're talking about today. If you were to write a headline, it would be, "\$4 Trillion is Gone," from the time that you sat here a year ago and made the projections with the very fair assessment of uncertainty that you put into those projections. But nevertheless, \$4 trillion is gone.

And your caution about what that means for us, not just in the short term but in the longer term, is one that we disregard at our peril. It is something that really haunts me, that we would be putting this load of debt and these extremely difficult political decisions on the backs of our children instead of facing up to them ourselves.

So I don't know whether Senator Gramm's idea of postponing tax cuts, or even repealing them, along with stricter spending limits, following in the footsteps of both Senators Snowe and Stabenow, will be heeded, but I certainly intend to do everything I can to make that case.

I would appreciate, Dr. Crippen, getting the tax rates on your chart, the total revenue as a share of GDP. Several members have made the point that the average, approximately 18 percent, has been exceeded. But what I am interested in is, my recollection of tax policy, going back 30 or 40 years, is that the relative burden borne by different segments of our society has shifted dramatically.

And I would like to get that information if I could, because I think that the corporate tax rate, the individual tax rate on the upper end have gone down dramatically, and in fact, middle-income and lower-income Americans are bearing a disproportionately higher share of the tax burden.

And this revenue spike is due, in large measure, to that increased share. And particularly when, you know, my constituents pick up a newspaper and see that a company like Enron has paid no taxes whatsoever, that wasn't the case in the 1950s and 1960s when corporate tax rates were both higher and tax collection was more strenuous.

So, if I could, I'd like to see the correlation here, because I think one of the biggest lessons in this curve is that we've shifted the burden of taxation. And the tax cut that was passed last spring shifted it egregiously onto the backs of middle-income and lower-income taxpayers.

But my question goes to something that you alluded to earlier, and that is the intergovernmental impacts of what you're telling us this morning. I know that CBO does have a role in measuring these intergovernmental impacts.

Have you done any estimates of state budget shortfalls?

CRIPPEN: Senator, we haven't done any independent estimates. We have been talking to the many groups, like the National Association of Budget Officers, the National Governors Association, to try and monitor as best we can the developments there.

The December report from the National Association of Governors was quite instructive, as you probably know, of how the deterioration in surplus pictures for many of the states, and of course many of them surrounding Washington. We're seeing headlines every day about billions of dollars in shortfall.

So yes, we're monitoring it, but we don't do independent estimates of what the states are going to have to face.

CLINTON: Dr. Crippen, would the budget shortfalls and the unemployment increase, for example, require perhaps greater Medicaid outlays? And are those included in your baseline projections at this time?

CRIPPEN: Yes. Both unemployment we expect will -- outlays for unemployment will be higher, as well as Medicaid. And they are included in the forecast today.

CLINTON: And similarly, the impact on the states' revenues that are tied to federal tax revenues, those declines, could you also give us some insight on that? Because, as some of these tax cuts kick in that were passed last spring, they're going to have a direct impact on state revenues.

CRIPPEN: We don't have an independent estimate of time, but we probably could provide you with one. You're absolutely right, of course as states mimic the federal tax code, both in application and what the tax base ultimately is, if it changed in the federal level it could ultimately change their revenues and, presumably, in the same direction.

CLINTON: I think that information would be helpful to us, because certainly, you know, my state's in a unique position because of the extraordinary revenue shortfalls from 9-11 that directly impacted on both the city and the state. But as I read the press, in any event, this is a phenomenon that is widespread across the country. Many governors and state legislatures are facing significant shortfalls, and I think we're going to be called on, here in the Congress, to respond in some way.

I am hoping that whatever package of economic recovery is put together will include a recognition of increasing health care costs and the need to try to help, you know, on that front in many of our states that have been hard hit.

Dr. Crippen, I also would like to ask you about a comment that OMB Director Mitch Daniels made at a National Press Club speech recently, back in November, in which he predicted deficits through at least 2005. And he said that the new budget scenario calls for, quote, "separating must-do from nice-to-do items."

And it's going to be difficult to have a good discussion about our budget when so much that's embedded in the budget already are must-dos. I mean, so many of the biggest spending items are required, they're mandatory, they are so-called entitlements, when we know we're going to be asked for increases in defense spending, which many of us will be prepared to support.

I know this would be hard for you to give me an exact number on, but how much discretionary spending dollars are really in this budget projection that you're talking about, in terms of what is available for non-defense, non-entitlement?

CRIPPEN: We assume, Senator, that this year's level, the current year that we're in, for all programs on the discretionary side, domestic and defense, for purposes of today's forecast will grow only with inflation factors -- inflation in the economy but also in wage inflation.

And so, in that regard, we have not built in any increases for a program, any increases for homeland security, increases for defense. None of those are in our baseline. So anything

that you all and the president will add to that would make the deficits worse and the surpluses smaller.

CLINTON: That's very important, because clearly I think a lot of people don't know that. I have a statement I'd like to submit for the record.

CONRAD: Without objection.

CLINTON: I thank the chairman for holding this hearing.

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON STATE OF THE ECONOMY, 1/24/2002

CLINTON: Thank you, Mr. Chairman.

And I too was with Senator Bond at the hearing where Mrs. Bush appeared. I apologize that I missed the beginning of your testimony and the questions that were asked.

I agree with your framework saying that our country needs to set objectives that we expect to be working toward achieving, and that we should do so by asking ourselves where we want to be in 2015, to pick a date; one could pick another date, but that was the one that you referred to, and I think that's a fair way to describe how we should go about determining our budgetary decision-making.

And I'm following up on Senator Sarbanes' points because when you were here last year, I think many of us, although we were facing some economic indicators that suggested a downturn, believed we had more control over our destiny than perhaps we do right now; that given surpluses, and given the rapid rate at which we were paying down debt, that even in the face of an irreducible debt, basis of your testimony which led to the concerns you express, we could do the kind of planning that would get us to 2015, having dealt with, in a rational way, the demographic challenges that we faced.

Yesterday, when Dr. Crippen testified, and certainly given the uncertainty that you reflect on the future of the recovery and its pace, I think many of us think we've lost some of that ability to plan for the long term; that perhaps we have even given away the capacity to make the decisions that would put us in a better posture than we see currently available to us.

Now, going back to the San Francisco speech, I want to go back to something that I believe you said, because it relates to something Dr. -- something we talked to Dr. Crippen about, that the diminished outlook for debt reduction has probably played a role in keeping long-term interest rates relatively high this year. Is that a fair inference from what was said in San Francisco?

GREENSPAN: That's correct, Senator. I said that there are, in my judgment, two elements involved. One was the expectation of an imminent recovery and economic activity, which would ordinarily, other things equal, move long term rates up. But I also stipulated that a deterioration of the long-term fiscal situation was also a contributor.

CLINTON: Well, I happen to believe that. And I think that, you know, the high long-term interest rates on a relative basis this year, despite your efforts at the Fed to use monetary policy on short-term rates, has had and will have a continuing negative impact on debt reduction, which, I think it's at least a fair bet, will impede the recovery.

I well remember the discussion that you were instrumental in in 1993, when the discussion about how we could craft a debt reduction plan that would lower long-term interest rates, spur economic growth, led to the decisions that were made in 1993.

What I'm concerned about now is that, just as in 1993, some people criticized the administration at that time for keying economic policies to bond traders, which I remember very well. It turned out to be a pretty smart bet.

Now, my biggest problem with the tax cut last spring is that I don't think the bond traders were asleep. And whether my colleagues believed the projections of surplus and the impact on the debt as being overstated by those of us who expressed concern, I think the bond traders had a pretty clear and cold eye about what would happen. And, as Senator Sarbanes, based on the chairman's chart, has just reminded us, although in this first year the tax cut impact on the surplus has been minimal, the projected impact is as stated in that chart.

So here we are. I accept those who say politically there won't be any change. There won't be any repeal. There won't be any serious effort to rethink our changed circumstances. But I don't think the market and the cold, clear-eyed bond traders are going to be impressed by our failure to exercise responsible fiscal policy in the face of changed circumstances.

So that leads me back to this discussion of a trigger. And I would just clarify, I think, a point that my colleagues Senator Snowe and Senator Stabenow have repeatedly made is that their idea for a trigger would not repeal a tax cut, but would delay one until it could be paid for. And the paid for part of that would take into account the various factors that would be available at the time, however it was constructed.

And the final point that I just feel compelled to raise as well, following up on Senator Corzine's comment, is that I agree with your assessment that the reaction to what's happened with Enron and Arthur Andersen is a healthy reflection of how much we value transparency and accurate information in order to have a functioning market system. But I don't think we're anywhere near the end of this story. And what will really count is what are the consequences.

In fact, we could further drive down business and consumer confidence, in my opinion, if the outrage is not followed by consequences. And one of my concerns is that, at least at present, based on press reports, the discussion about the accounting information practices and how we go forward guaranteeing to people that their outrage is not misplaced raises some serious issues.

And I would, if you believe it within your purview as someone who looks at the entire economy, go at Senator Corzine's question a little differently, which is, when the outrage has exhausted itself, will it be important for the continuing functioning of our market to have an accounting system that is understandable and regulated in such a way that people can put their confidence in the results of whatever the statements might be?

GREENSPAN: It's hard to know what the next two years are going to unfold, or how they're going to unfold. But I think it's reasonably certain that what has come out of this particular event is going to alter the way not only accounting is done in a more transparent way, I think there are effects on corporate governance as well. Because the incentive structures in audit committees within corporations, amongst accountants, at least in my judgment, is not optimum for the appropriate allocation of capital within our economy.

CLINTON: But excuse me, Mr. Chairman. Are you suggesting that that will be a self-policing, self-regulating transformation of human nature that will occur?

GREENSPAN: I do not know. No, it's not human nature. Well, in part, it is. I mean, it's called self-interest. There is a very important economic value in reputation, more so than it's been in recent years, largely because we're increasingly moving towards what I would call a conceptual economy in which physical assets are a decreasing proportion of the market

value of firms. And that as I indicated earlier, that this reputation capitalized and placed on the balance sheet is called good will.

And it is a major competitive advantage to be able to say to somebody, "Our accounts fully represent what is actually going on in our company." Indeed, those of us who have been involved in bank regulation are aware of the fact that those financial institution which get into businesses which are somewhat obscure will find -- have found that the price/earnings ratios of those institutions are less than those are -- who are in businesses which are fully exposed to the light of day in their accounting systems and in the structure of the type of risks they take.

There are going to be changes. And I suspect there may very well be changes in statutes, because it is crucially important that the trust which is so fundamental to all transactions in a market economy be reinforced. And I don't know how that's going to happen, but I do know that the pressure to do that as a consequence of this event is going to be significant. And I think that is a very fortunate potential outcome of this rather unfortunate story.

CLINTON: I agree with that.

Thank you, Mr. Chairman.

CONRAD: Thank you.

And we want to thank Chairman Greenspan for your appearance here today. We've held you somewhat beyond the time that we had agreed to. And I thank you for your patience.

Let me just say that especially welcome your suggestion that we revisit the notion of a mechanism to adjust spending and revenue so that we do everything we can to aggressively pay down this national debt in expectation of the baby boom generation's retirement and the desirability of building surpluses in preparation for that time.

I think that's a very constructive and important suggestion that you made last year that you've repeated this year. And hopefully, we will proceed to try to find a way to get it enacted into law.

I thank you again.

GREENSPAN: Thank you, Mr. Chairman.

END

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON BUDGETARY ISSUES AND THE ECONOMIC OUTLOOK OF THE U.S., 1/29/2002

Senator Clinton, do you preside at 11:00?

CLINTON: I do. I'm going to have to leave.

CONRAD: Why don't we recognize you at this time for questions that you might have.

CLINTON: Well, thank you, Mr. Chairman, and I thank our witnesses, and I appreciate the interchange we've had. I think that's something we should do more of, to have our witnesses respond to one another, because I think it helps to clarify a lot of these issues.

I would have to say there is a very big difference of opinion, not only among the witnesses or between two and Mr. Wesbury, but also on this committee and, I think, in our Congress and throughout the country as to what is the best way to stimulate economic growth. That's what we're interested in.

What we want is a growing economy that enables even more people to work, creates the conditions for rising incomes. And in looking at some of the statistics about federal revenues being a high percentage of GDP, I think, again, as Dr. Orszag sort of reminds us, we can't take any statistic out of context, because certainly, median family income rose by over \$6,000 after adjusting for inflation between '93 and 2000.

There were significant bonuses, not only in the financial services sector, but in many sectors of the economy that pushed people's income tax burden higher. And, indeed, though, federal income taxes as a percentage of income for the typical American family dropped to their lowest level in 35 years.

Now, this is not an argument for keeping tax rates higher than they need to be.

CLINTON: I, among many of my colleagues, argued for a balanced tax reduction last spring. What I think we're concerned about is the impact of this large tax cut and the way that it was configured.

I guess my question would be to go back to, for me, the most important issue. What is it we're trying to achieve? We're trying to achieve economic growth, and I think we should be trying to achieve some ability to deal with problems that we know are on the horizon. And the best way to do that is through growth and fiscal responsibility to be prepared.

So I guess I would just ask each of the witnesses -- perhaps beginning with Mr. Wesbury, because I know that your view is different -- as you look forward -- and I'll have to leave soon -- as you look forward, Mr. Wesbury, and you see the demographic inevitability -- I don't think there is any debate about that. We're going to have increasing calls on Social Security, Medicare, and other services that an aging population requires. How would you best prepare our country to deal with those problems?

WESBURY: Well, thank you, Senator Clinton. First of all, let me just suggest to you that I agree 100 percent with you about the strength of the 1990s. It was a fabulous period in U.S. economic history. In fact, it was the longest economic recovery in our history.

What's interesting, though, is that the period between 1982 and 1990 was the third longest economic recovery in our history. And when we go back and look at that period from '82 to 2001, we were in recession during that period only 3 percent of the time. During no other 20-year period in our history have we ever experienced uninterrupted growth like we experienced in this 20-year period.

What I would suggest is that we look at what caused that. And in my opinion, what clearly caused that was an increase in technology and the boom in productivity that slowly gained steam over the 1980s and into the 1990s.

I am one of the economists who was out there in the past five or six years talking about a so-called new era. I realize fully that we still operate under the old economic principles. They're still all the same. But what we had done is we had pushed ourselves back to that kind of growth that we experienced in the Industrial Revolution or in the '50s or early '60s.

This doesn't mean that we can't have recessions. And my belief is that the tax increases of 1993 -- they increased the number of brackets for taxpayers, and because we had such strong productivity growth, it boosted real incomes, as you pointed out very correctly, and those higher real incomes pushed people into higher and higher tax brackets. There was a tax increase on people throughout the 1990s, and by the time we reached 2000, those burdens reached such a high level that it finally was able to, I believe, topple the economy.

And if I may point out, the bipartisan nature of the tax cut that was passed in May of 2001 at least suggests to me, as someone who lives in Chicago, that in Washington, people realized that people around the country wanted a tax cut. And that's why we got it, because taxes were too high. As a result, I think we're now on the way to recovery.

My belief is that the best way to guarantee the safety of Social Security, the safety of Medicare, the safety of all the government programs that we have is to work as hard as we possibly can and have faith in the American entrepreneur. And the way to do that is to increase incentives, and the way you increase incentives is to keep tax rates low and allow the entrepreneur to benefit from his or her efforts.

We live in one of the greatest times in world history, in my opinion. Technology is growing faster than ever before. That technology is coming from the private sector, and I want to see us support that and allow it to grow. It will make all of our problems, budgetary or otherwise, much less significant in future years if we do that.

ORSZAG: I have a somewhat different view. I think the key objective in preparing for the longer-term challenges that we face is higher national saving. And, basically, higher national saving will leave future workers with more productive equipment, higher levels of productivity, and an easier burden in meeting our future challenges.

In my opinion, the best way to boost national saving is for the federal government to have a serious program of fiscal discipline. We've tried lots of other ways of trying to get the private sector to save. They don't work very well. The most auspicious way of boosting national saving is simply through fiscal discipline.

And I note that in the current environment, changing some of those longer-term fiscal discipline policies would have a short-term benefit. Just like we saw in 1993, when you have back-loaded fiscal discipline, you can get short-term benefits from that, in addition to the long-term benefits. So, interestingly, normally, there's a tradeoff. Right now, I don't think there is one.

CLINTON: Mr. Reischauer, I'm going to have to leave, but I know you can be succinct. I've seen it so many times.

REISCHAUER: Then you know I'm going to agree with you, too.

CLINTON: And I'd hate to miss that.

U.S. SENATOR KENT CONRAD (D-ND) HOLDS HEARING ON FY 2003 BUDGET, 2/5/2002

CLINTON: Thank you, Mr. Chairman.

I appreciate the comments that the chairman made in response to this budget. Obviously, all of us are still digesting it, as is the case with a very large and complicated document such as this.

But I am particularly concerned that there isn't any direct reference to aid for New York in the budget. Yesterday, Director Daniels, in discussing emergency aid to New York, you said, and I quote, "It seems strange to me to treat this as a money grubbing game," unquote.

Now, I have to tell you that we were shocked by that. The shock was felt throughout New York. It was on the headlines of our newspapers. The tabloids, obviously, had a field day with it, because it was so unbelievable that something like that would come out of the mouth of the OMB director.

Clearly, we've all recognized that the September 11 attacks on New York were an attack on America. The majority of people who lost their lives that day were from the New York area -- not all New Yorkers, but certainly predominately. New Yorkers were heartened on September 20, when the president promised to rebuild New York.

Now, I know that the president is scheduled to visit New York tomorrow to salute the heroism of our police and firefighters and our first responders and I appreciate your including the picture of ground zero and the firefighters in the budget.

But, my first question is, do you speak for the president when you called New York's request for emergency disaster aid a "money grubbing game"?

DANIELS: Well, Senator, it's a very fair question. I remember that Winston Churchill once said that he frequently had to eat his words and generally found it a wholesome diet, so maybe I'm in that position.

I regret, if my comment was misconstrued, so let me tell you exactly what I think. I think it's consistent with your views. I mean, the president's commitment to \$20 billion of aid is both inviolate and, frankly, well within our view. It will take some years to get there because the commitments that the government, the federal government made, the unprecedented commitments of support, 100 percent funding of infrastructure and other rebuilding and so forth will, in many cases, take years to complete and we won't know the real tally until that happens.

I don't have any doubt at all, as we have often discussed, that that will substantially exceed \$20 billion and it should. I expressed in poorly chosen words, I think, only this frustration that I've been in lots and lots of meetings, we're working hard on this. You've held our feet to the fire and that's as it should be, that in many of the meetings with either reporters or advocates for New York, it's hard to get the question of what are we trying to get down. If people want to sort of start and stop with how many dollars and you know, for instance, it would be terribly wrong if we got to some magic tally of \$20 billion and quit and said, "Good."

CLINTON: But we don't expect that.

DANIELS: Right. And we don't intend that. So, that's all I really meant was, let's try to focus more often on what are we going to get done together.

I'll give you the best example you well know of some unfinished business. The president supported the Liberty Zone concept, \$15 billion of investment that would be triggered by guaranteed loans for New York. It was in the stimulus package. It didn't quite get across the line. In December, we had to get that done. That's the biggest missing piece now in a total package that's again, I assure you, that's going to go well beyond \$20 billion.

CLINTON: Well, I appreciate that clarification and I would certainly work with you and the administration and our colleagues here in getting that Liberty Zone tax policy through, because I agree with you. I think that is one of the missing ingredients, but I also just want to clarify, for the record, Dr. Daniels, that you're, therefore, not counting the victims compensation fund as aid for New York. That's a different category, which is mandatory spending. Is that correct?

DANIELS: Well, it is. I think when history rights the story it would be fair, only fair to recognize, again, the unprecedented expression of compassion and support from the rest of the American taxpayers.

CLINTON: I agree.

DANIELS: But I think we're going beyond \$20 billion before and without counting that. Please tell New Yorkers that we love them, we admire them and we're going to keep the president's commitment to the last.

CLINTON: That's very welcome news and I appreciate that tremendously.

I just had a few other specific questions that again, this may be easily answered in the budget, but I'd like your guidance.

I don't find in the budget any commitment to fund the SEC (ph) pay parity, which Congress passed authorized increases for in December and certainly in light of what we're going through now with Enron and the accounting issues that are being raised, it's very difficult to imagine we're going to get the staff assistance that we need and keep down the employee turnover without that SEC (ph) pay parity.

Is that in the budget and I'm just missing it or is that a commitment that we can count on from the administration?

DANIELS: A first step toward higher pay and perhaps one day to parity is clearly in the budget. We have \$19 million, as I recall, in unspent funds that we've authorized using for this purpose, as well as some new money.

DANIELS: Going straight to parity by the definition at least to some people would lead to a dramatic increase in spending and we don't think that the case has yet been made, at least for what some people are calling for, a dramatic 20 plus percent increases for the entire agency. But we've had extensive conversations with the chairman. He's an advocate of doing more, faster, than this budget suggests. We'll be working with him over the days ahead to make sure he can keep the best people he has. We want him to be able to reward the best people that he has. His work has never been more -- and their work -- has never been more important.

So, I would characterize this budget as taking a first step, and we anticipate it's only the first.

CLINTON: Well, Director Daniels, I would just refer you to the legislation we passed. Obviously, the Congress believed even before the Enron Anderson matter was quite as difficult as it appears to be that we should have parity with other regulatory agencies such as the FDIC. It certainly is, I think, critical to be sure that we do have the resources, so I hope that that can be moved on quickly.

I'm also, just if I could, one last issue that I'm concerned -- I'm concerned about a lot of issues, but I join my colleagues in their concern about job training and federal highway funding.

But I was surprised to see a dramatic reduction in the federal payroll tax revenues for the federal unemployment system. As I read the budget, you're calling for a dramatic decrease in the annual payment per worker to support federal and state unemployment, and in effect, shifting much of the responsibility for funding unemployment operations onto the state.

Is that a fair reading of the budget as it currently is?

"American Morning with Paula Zahn," CNN, 2/11/2002

PAULA ZAHN, CNN ANCHOR: New York Sen. **Hillary Rodham Clinton** and Connecticut Sen. Joseph Lieberman are holding a field hearing to examine the possible health hazards stemming from the fires and dusts at the World Trade Center site.

And Sen. Clinton joins me now from lower Manhattan.

Welcome back. Can you hear me, Mrs. Clinton?

SEN. HILLARY **CLINTON** (D), NEW YORK: I can now, yes.

ZAHN: OK, welcome back.

CLINTON: Thank you.

ZAHN: Do you think that the air downtown is as clean and safe to breathe as the EPA says it is?

CLINTON: Well, Paula, that's the purpose of this hearing. We're going to try to get to the bottom of what we do know and what we don't know and what else we need to find out and what we should do about that information. I think that based on what the experts will tell us today and all the evidence I've seen, the air in the general vicinity doesn't raise health hazards.

The air right at the ground zero site, where the first responders and the construction workers have been exposed, you know, has some questions that have to be answered. And that's why I would like us to follow long term the health of the people who were really right in the center of ground zero.

There's been a dispute between the city and the EPA and others about who's responsible for outdoor air versus indoor air. I think we need a plan -- we've learned a lot about this terrible disaster -- that really does put the health of the workers and the residents at the very highest priority of any kind of response. But I think in general, what we know is that in most instances people really don't face any kind of a known health hazard. But we do need to keep monitoring the situation.

ZAHN: How concerned are you though, Senator, that you got the U.S. Geological Survey taking surveys or taking samples at ground zero and actually turning over the data to the EPA? I'm going to actually put up on the screen now what one of those scientists had to say who took part in that study, Geoffrey Plumlee.

And he said, "We made this analytical effort because we were concerned about the likelihood that the composition of the dust could be potentially harmful to the rescue and cleanup workers at the site and to people living and working in lower Manhattan. We share their findings with EPA, FEMA, the federal emergency response coordinator and everyone else we felt appropriate. We anticipated that the results would have been shared with the people on the ground, those at risk, but it looks like the information never got to the people who needed it."

Is the EPA hiding something here?

CLINTON: Well, that's what we're going to try to find out, Paula. You know, certainly, they have had to respond to some very tough scrutiny in the last couple of months. And I don't -- you know, I'm not ready to point any finger at anyone. This is a breakdown of a system and maybe the lack of a system in response to the immensity of the disaster we faced. You know, we really didn't have the right equipment in the beginning for people to go on their rescue and recovery efforts.

You know we haven't done the kind of thorough review that will tell us what we should do to protect people, and that's really what this hearing is about. Because I share your concern and the concerns of, you know, competing experts, as well as residents and workers. Let's get to the bottom of what we know and don't know, and then let's take appropriate action.

ZAHN: Let's address some of the conflicting information here. Some independent surveys have come up with drastically different results from the EPA. I'm going to put on the screen one now from Cate Jenkins, from the hazardous materials company. She said, "For every asbestos fiber EPA detected, the new methods used by the outside experts found nine." And then Hugh Granger, a scientist at the firm HP Environmental said, "The people at the EPA are 10 times brighter than I am. I think some people who really know the answers to all of this are being a little coy."

Based on what you've been exposed to so far, is there any defense for these major discrepancies in findings?

CLINTON: Focusing on very big (AUDIO GAP). Depending on who owned the building you were in, the standards under which they cleaned, the kind of tests that were run, we're getting different results. And I think most buildings -- certainly most public buildings -- were adequately cleaned. And so people should have those concerns. But there were many other buildings where there weren't any standards.

Now we have this conflict between the EPA and the city. Who is responsible? You know, frankly, I really don't care. What I'm interested in is how are we going to assure people that the air they breathe indoors is as safe as it can be under the circumstances. And I think we've gotten kind of a mixed message here from the various levels of government. And that's what I'm trying to sort out today.

ZAHN: Sen. Clinton, before we let you go, I wanted to give you a chance to respond to a piece in "The Daily News" over the weekend, suggesting that the administration now has asked the GAO to expand its probe into alleged vandalism done by the Clinton administration. According to "The Daily News," Bush aides even urged the GAO to expand its investigation even into your offices that you used. Your reaction to this report?

CLINTON: Well, I was as curious as anyone when I read it. I'll just have to wait and see what the real story on that is. You know, today, I'm going to focus on air quality, but, you know, there are many other issues that are swirling around and that's one of them. And I can't understand why they're spending their time, you know, chasing red herrings and false trails, but maybe they can tell us.

ZAHN: Can you categorically deny that anybody vandalized anything in your offices before you and your husband left Washington?

CLINTON: You know, this has -- you know, this has been investigated and, you know, there's just no basis and fact. I don't understand what the administration's, you know, obsession with it is, but maybe they can tell us. Certainly, you know, it's not anything that, you know, I've paid any attention to for over a year now.

ZAHN: I know you said it's been fully investigated, but can you tell us this morning -- you can tell us that -- can you assure us that nobody did anything in the nature of sabotaging your office before you left?

CLINTON: I can't even imagine, you know. There was no such -- as far as I know, there was no such action. Certainly, no one's brought it to my attention and I just don't believe it happened.

ZAHN: All right. Well, Sen. Clinton, we appreciate your joining us today. Good luck with the field hearings. We'll be very interested in finding out the conclusion that you all come to later on this morning.

CLINTON: Thank you. Me too.

ZAHN: I appreciate your time.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON EMPLOYMENT NONDISCRIMINATION, 2/27/2002

CLINTON: Thank you very much, Mr. Chairman, and than you for holding this hearing. Clearly, this is an issue that I believe is long overdue to be addressed and to pass ENDA, and I want to thank this panel.

I'm sorry I had to be late, but based on what I've heard since I arrived, this is one of the more distinguished and effective panels that I've had the privilege to hear, and I particularly want to thank Mr. Berman, representing a wonderful company in New York, which has had a policy that prohibits discrimination based on sexual orientation since 1986.

And, I think that both the testimony from the business representatives here, Ms. Billingsley and Mr. Gifford, I thank you both for being here with Mr. Berman. I hope we'll get widely distributed, because people need to hear what you each have to say, and I thank Mr. Womack for your passionate advocacy of this particular legislation.

I think it's important to remind ourselves what ENDA does, because as Senator Harkin made reference, there's a lot of misconception about what this bill will do. It is not going to change people's attitudes overnight. We know that. Neither did the civil rights laws of the 1960s, but that was not a reason to avoid doing what was right at that time, just as it's not a reason to avoid doing what is right at this time.

And what ENDA does is to extend federal employment discrimination protections that are currently provided, based on race, religion, sex, national origin, age, and disability to sexual orientation. I think that we can all agree that it was not the end of the world when we ended employment discrimination as a matter of law on any of these other bases.

And certainly, it should be clear that the evidence supports this legislation, and even in the absence of the kind of strong evidence that we've heard testimony about today, it is simply the right thing to do, which is long overdue.

We also know that it extends fair employment practices, not special rights to lesbians, to gay men, to bisexuals, to heterosexuals, to everybody. This should not be an issue. What should be an issue in your employment is your job performance. Can you or can you not do the job? Is your behavior connected appropriately with the job or not? And we need to get beyond holding status in any way against someone who is seeking and holding employment.

This also prohibits public and private employers, employment agencies and labor unions from using an individual's sexual orientation as the basis for employment decision. So it's not just a question of hiring. It's also firing, promotion, and compensation. The next panel will hear very eloquent and moving testimony from Lawrence Lane from New York also about what had happened in his experience.

We also know that ENDA provides for the same procedures and similar, but somewhat more limited, remedies as are permitted under Title VII and Americans with Disabilities Act. So even though the law would say, don't discriminate, the remedies available are actually not on the same level as they are under Title VII and ADA, and of course, it applies to the Congress the very same procedures, which is absolutely appropriate.

Now what ENDA does not do is cover small businesses with fewer than 15 employees, does not cover religious organizations, including educational institutions, does not apply to the

uniformed members of the armed forces, although many of us believe that it should, does not allow for quotas or preferential treatment, does not allow a disparate impact or the imposition of affirmative action, and does not allow the EEOC to collect statistics on sexual orientation or compel employers to do so, and does not apply retroactively.

So, it's very important that we clearly lay out what this bill does and what it doesn't do, and that we take into account the evidence that we've heard today, that with respect to employers who actually practice diversity and hire and fire and compensate on the basis of job performance, not on the basis of one's status, one's religion, one's race, one's sexual orientation, that this is not as dramatic or revolutionary a step as many people have advocated that it is.

And I hope that as we move forward with the consideration of ENDA and the chairman has been the champion of its passage for several years now. We can get those facts out, and make it absolutely clear what is done by the legislation and what is left undone, not covered at all.

So, Mr. Chairman, I thank you for bringing such effective and compelling witnesses to this committee and I hope that their testimony is widely circulated, particularly to our colleagues who have doubts and concerns and, just frankly, fears about what this would mean, because it is something that I think Senator Collins is absolutely right in addressing.

We should just be honest about it, put it on the table, and make clear that people have some very deep concerns and fears that are not founded, and we can help to disabuse them, and I hope that the testimony of our four witnesses today will be widely circulated and made available to all of our colleagues, and I thank the witnesses for being here.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman, and I want to thank these witnesses as well. Mr. Lane, what's the status of your efforts to seek remedy under the New York City provisions?

LANE: We are pre-trial. We actually have a trial date of March 18th. C&A did file for a summary judgment, specifically as it relates to the sexual orientation, and thankfully we did win that in our favor and now we await trial.

CLINTON: Well, we wish you well, and of course it's striking that you, at least, have the opportunity to make your case because of the New York City law, and I greatly appreciate your willingness to come and speak with us about this. It will add to the arguments that we have, as we try to take this legislation to the floor, and to eventual passage.

Mr. Coles, could you clarify for the record what the experience has been in states and cities that do prohibit discrimination based on sexual orientation? Have they been flooded with lawsuits and employers tied up in court endlessly? What's happened?

COLES: What's happened is just about what you'd expect, if you assume that lesbians and gay men are about five percent of the work force, which is what most statisticians tell us is probably the right assumption, and you look at the number of complaints that have been filed under the existing laws. And we've had, one law was constant for over 20 years, and several others throughout the '90s. You get just about as many complaints and lawsuits as you do based on race discrimination and gender discrimination.

And I will say frankly that, I think the number of lawsuits you wind up having is certainly smaller than we did when the '64 Civil Rights Act first passed. I think when Congress passed the '64 Civil Rights Act, the idea of civil rights as a part of American life was a new idea, and

there was a lot of resistance. I don't think that that's true now, and I think when we make it clear that discrimination on a certain basis shan't happen, most employers comply.

CLINTON: Well that certainly has been the report that I've reviewed, and I think there was a 2000 GAO study of litigation, following the passage of 11 of the state laws, which found that only 1.4 percent of the total discrimination claims in '99 were based on sexual orientation. So it's not proven to be burdensome to courts or burdensome to employers, as some people had feared.

I think that, Mr. Chairman, your long-time support of civil rights legislation, going back to the 1964 Act and in so many ways since then, gives you a standing that the rest of us don't have to support and champion this legislation, and I appreciate that as is your custom, you are once again going forward with it, and I thank the witnesses for being here today to help us put this back on the legislative agenda and try to be successful in the Senate and hopefully in the House and have a signing ceremony, perhaps sometime this year. Thank you very much.

KENNEDY: I want to thank Senator Clinton and thank our other colleagues for their participation. This has been a good hearing. It's my intention to mark this legislation up in March, and get it on the agenda, and we'll do the best we can to get it on the floor. It's, I think, one of the real priorities for us in this Congress, and we have every intention to press it and push it and further it.

And we thank our witnesses for being here, and thank many of our national leaders who have joined us as witnesses to this hearing this morning out in the audience and have been incredible advocates in helping this country move us forward to the time when this legislation will become law.

The committee stands in recess.

END

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON MAMMOGRAPHY, 2/28/2002

CLINTON: Thank you very much, and thank you for holding this hearing.

And thank you, Doctor, for now being in the hot seat for quite some time. And I appreciate your clarification. I'm sorry that I missed your testimony. I just want to ask three brief questions, just be sure that I can accurately report to my many constituents who are deeply concerned about the controversy and also about the high prevalence of breast cancer in many parts of New York, higher than the national average.

Is it fair to say that your testimony today, reflecting the NCI position, is that all women should get regular mammograms after the age of 40 or is it that women should be provided with information about the benefits and risks which they then, in consultation with their doctors, make their own decisions?

VON ESCHENBACH: We're recommending that it be a combination of both the performance and availability of the mammogram, along with the education and understanding of the implications of it. I believe both of those are important, but I would not leave out the mammogram as a primary part and the initial part of that recommendation.

CLINTON: But now a woman who's a potential recipient of a mammogram really has no independent way of determining the efficacy or the quality of the mammogram. So if I'm asked by a constituent after this hearing, "Well, what did Dr. von Eschenbach say should be done," what's my short answer?

VON ESCHENBACH: Beginning at age 40, you ought to have a mammogram every one to two years.

CLINTON: OK. Great. I just wanted to be absolutely clear about that.

Now, as to the second issue, with respect to the quality and the efficacy, we will be reauthorizing the Mammography Quality Standards Act, recertifying it, I think, this year. Will you be able to provide us with specific suggestions as to any modifications of the act that might be helpful to address this controversy and increase the quality standards? I think that there's been some debate about whether or not the MQSA has really lived up to its promise, and can you offer any suggestions as to what we can do to modify it when we reauthorize the act?

VON ESCHENBACH: At this point, I could not, Senator, but I'd be happy to provide that to you in subsequent information and material that would give you the kind of documentation that you needed for an intelligent recommendation from me.

CLINTON: That would be very helpful. Because one of the things which is happening in New York, and I assume it's happening elsewhere, even before the back and forth of the last month or so, is that many physicians' offices and freestanding mammography clinics were eliminating the service, because the reimbursement was insufficient to pay for the physician time, the technician time and the overhead costs. So we have many parts of my state where it's very difficult to access a mammogram.

And what I'm worried about is that in light of this controversy we will see more and more insurance companies determining that they will no longer cover the cost of mammography, concluding that because it is somewhat in dispute as to its importance that it's no longer a covered service. So I'm hoping that your very straightforward statement, that it is still the recommendation of the National Cancer Institute that women starting at the age of 40 have a mammogram, will give us the ammunition we need to avoid further cutbacks in access and reimbursement, which I'm very concerned about.

So I join the other members of this panel in thanking you for your testimony, thanking you for taking on such an important task, because, certainly, those of us who have been involved in this issue for some time -- and I see my friend, Fran Visco, out there -- knows that we have to do even more to find ways of preventing and curing breast cancer and that mammography is a tool in that fight, but it is not the principal weapon that we need to utilize. And so thank you very much for being here.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you very much. I want to thank the panelists. We have three extremely dedicated witnesses who have given their lives to this fight against breast cancer.

I couldn't agree more with the point that Fran Visco made about the inequitable distribution of resources with respect to dealing with breast cancer. In fact, most of our major health problems are more likely to fall disproportionately on the poor, on the people who don't have access to affordable, quality, reliable health insurance.

And I think that the National Breast Cancer Coalition's constant advocacy on behalf of more resources and on better access has been an extremely important part of this debate. I hope that it's not a point that's going to be forgotten, because we still have a lot of work to do.

I wanted to ask Fran about what the coalition's current review of insurance coverage, with respect not only to mammography, but to breast cancer treatment in general, has led you to conclude about any action we need to be contemplating with respect to insurance coverage.

VISCO: Well, I think one of the most important issues before the Congress now is coverage for oral anti-cancer drugs. As you know, breast cancer is primarily a disease of older women, and women who are covered by Medicare -- Medicare does not cover Tamoxifen, which is probably responsible for much of the decrease in mortality that you've seen in the charts that Dr. Von Eschenbach put up. That is a critically important question in breast cancer, much more important than if a woman has to wait three months for a screening mammogram. I also want to say that there is no way that the National Breast Cancer Coalition would let up on pushing for access to health care for all women and all Americans.

Another point that I need to have the opportunity to make is about breast self-exam. You know, there is no scientific evidence that breast self-exam saves lives. That is another infrastructure that has been built up in this country based on no evidence. And, in fact, the evidence that we're seeing now indicates that there may not be a difference in mortality through teaching breast self-exam.

CLINTON: Thank you.

Dr. Runowicz, I'd really appreciate your perspective, both as a physician and as a breast cancer survivor yourself. What is the best for us to dispel the confusion and, to some extent, even more than that, the despair that women feel about knowing what they're supposed to do and who they believe and how they make these decisions?

I think that what the American Cancer Society, the National Cancer Institute, and others have said, which is, I think, putting it sort of simply, that you can't let the perfect be the enemy of the good. Until we know something more than we know now, it's prudent to continue to recommend the same standards that we have adopted. How do we get that message out?

RUNOWICZ: I think that's a very big challenge, and one article on the front page of the New York Times can undo all of the good of all of the organizations. But I think we should continue hammering home the same consistent message and letting patients know that controversy is what science is all about and that's how we make new discoveries, and that until we have other data that makes us change these guidelines -- these guidelines are based on good science, and we need to get that message out over and over again.

CLINTON: Well, I thank you for your role in doing that.

And, Dr. Leffall, thank you for your years of service to patients and as an advocate and spokesman. From your perspective, also dealing with patients, and from the work that you do with the Koman Foundation, is there more we could in the Congress to try to convey more support for the clinicians' work that you and Dr. Runowicz and others are doing? How do we help you get the message out, and, from your perspective, what additional steps should we be taking in funding to try to move the breast cancer debate beyond mammography to prevention and cure and some of the other issues that are at the root of it?

LEFFALL: Well, we must always be concerned about those, Senator Clinton, the prevention and cure. But one thing that I think you can do -- so many of my colleagues that are radiologists are telling me that they are no longer willing to perform mammography, because the reimbursement they get is not worth it from a pragmatic point of view.

They say, "I want to help patients. That's why we're in medicine, to help patients. And I don't get enough to pay the expenses in my office." So that's something that certainly can be done.

But in addition to that, as long as we can continue to emphasize that until we have something better, the things that are based on science -- and the mammography recommendations are based on scientific data, and we are not opposed to other people looking at those data to be sure that they are what they say they are, and if there's a difference of opinion, let's talk about it. Let's not try to hide it. But that's something we can do for the radiologists who perform mammography.

CLINTON: Well, thank you, because that, as I said earlier, is a big problem in New York, and it's becoming a real barrier to access. Even if women are presented with all sides of this issue and make the determination they want a mammogram, it's becoming harder to get one, either because of access or affordability.

LEFFALL: That's correct.

CLINTON: So I want to thank, again, Chairman Mikulski for holding this important hearing, along with Chairman Harkin. It was a very important service.

MIKULSKI: Thank you very much.

Senator Harkin?

HARKIN: Thank you very much.

I just want to say, Dr. Leffall, with regard to one point that you just mentioned, I do have a bill in to increase that reimbursement rate for radiologists. I've been hearing from them.

Just yesterday, some of the ones in Iowa -- that question was asked -- what does it cost -- and they said \$100 to \$120, somewhere in that range. I think the reimbursement is now around \$75.

LEFFALL: Average, yes.

HARKIN: The average is about \$75. And so you're right. A lot of people just are turning people away.

LEFFALL: They're not doing it anymore. That's correct, Senator.

HARKIN: So I do have a bill in to get that done. If I can find something to attach it to this year, I'll attach it.

LEFFALL: Very well.

HARKIN: I'm wondering, though, if I will get the comments on the floor that maybe this is not necessary. I don't know. Is it necessary? Well, I'm just saying -- you know, with the conflict that seems to be out there now. People will say, "Well, why do you want to increase the reimbursement rate to radiologists that do the mammograms when we don't even know if mammograms are efficacious or not, you know? Maybe we shouldn't do it."

LEFFALL: But most groups in the United States believe that until we get something better, this is what we should continue to recommend. That's why the Koman Foundation is recommending it -- ACOG, the NCI, the American Cancer Society -- because we believe that it is based on the best available science that we have today.

And we'd like to emphasize we're not opposed to a re-look at the data to be sure that it's what we say it is and let patients know the truth. We're not trying to hide the truth.

But when you come up with something better -- and Dr. Von Eschenbach mentioned some things, like the PET scan, MRI, digital mammography. When they are proved to be better, then we can go to that. But until then, I think we should stick with what we have that we

know can make the diagnosis early. And you asked many questions today about early detection, which is extremely important.

HARKIN: Fran Visco, we've worked together now for over 10 years.

VISCO: That's right.

HARKIN: And you said in your testimony that we've got to ask if mammography screening is the best use of finite dollars. Well, if we don't, what do we do, Fran? If we don't use them there, where do we use them?

VISCO: Well, I think we should use them to give health coverage to women. I think women need to be reimbursed for their medicine. I think more women need to have access to quality care.

There are many areas that are looking at truly early detection, looking at questions on how to prevent breast cancer, looking at non-toxic targeted therapies. The mammography debate is sucking up all of our time, all of our dollars, all of our attention, all of our focus. There is so much more to eradicating breast cancer, and that's where we need to move those dollars.

HARKIN: How much do we spend a year on mammograms?

VISCO: It's a multi-billion-dollar number. Exactly how many billions, I don't know. I've seen numbers recently, but they're not in my head. But I know it's many billions.

HARKIN: Most covered by insurance and Medicare, mostly Medicare?

VISCO: Probably. I don't know the answer to that question.

HARKIN: I'd like to find that out.

MIKULSKI: But not for the poor, Senator. Just in the interest of this dialog, you have Medicare covering mammography, but that's every other year. But at least it's something. We spearheaded that.

Then those of us who have private insurance receive reimbursement. But, again, you've got to watch your time on that or they won't do that. But for poor women, the only thing that we have is the Breast and Cervical Screening Program at CDC, which the women of Congress initiated, and, Senator, you have been steadfast in helping provide the funds for it. Did you hear what I just said?

(LAUGHTER)

HARKIN: Oh, I'm sorry. Talk to me at one time.

MIKULSKI: Are you done? Did you want to say anything else?

HARKIN: Talk to me at one time.

MIKULSKI: I said that for reimbursement, Medicare provides it for the women over 65 every other year. For other women, it's reimbursed through private health insurance, but, again, it has age guidelines to it. Third, for poor women, the only tool -- and it's a down payment tool -- is the Breast and Cervical Cancer Screening at CDC, and that's funded as -- through Medicaid -- that's funded through...

VISCO: No, the treatment component that we worked on for four years and last year were finally successful in getting enacted into law were women who are screened through the CDC program -- once they're diagnosed, they become Medicaid eligible for their treatment.

MIKULSKI: But you fund in your Labor-HHS the CDC program. But if it wasn't for your funding in the CDC program, poor women wouldn't even have an option. And by and large, even there, it's still a rather spartan number of women who can participate. But even when they're screened, the Medicaid is also optioned to the state.

VISCO: It's an optional program with the states, but the National Breast Cancer Coalition has been very successful over the past year in getting 39 states so far to opt in.

MIKULSKI: Well, bravo.

VISCO: Thank you.

MIKULSKI: Bravo for that. But, again, for poor women...

HARKIN: Well, my staff tells me it's \$3 billion. I assume that's all insurance and Medicare and everything. Is that what you're telling me?

UNKNOWN: Yes, all together.

HARKIN: All together, it's \$3 billion a year. So it is a sizable sum of money. I mean, we're putting \$800 million on research now, right?

UNKNOWN: Yes, we are.

HARKIN: That's \$800 million. So it is a lot of money for mammograms.

VISCO: And remember access to health care, too, for these women, to treatment and to oral anti-cancer drugs, very important issues in breast cancer.

HARKIN: Again, you know, in trying to clear this up, trying to get a definitive type of an answer to women out there, what would you tell my nieces? Both their mothers died of breast cancer, and they're now in their -- I don't know how old they are now -- late 20s, 30s now, maybe almost 40, and they've been getting breast cancer screening because of that. What would you tell them now?

VISCO: Well, I would tell them to go to the National Breast Cancer Coalition web site and look at our question and answer, which lays out all of the issues on this very debate. We'd be happy to help them work their way through it, and then they can make up their minds about what they want to do. But I think women have the power and the capability to understand this complexity and to make a decision on what to do.

HARKIN: Well, I believe that's true, also. But I still think early detection right now is still the best.

VISCO: We may not know how to detect breast cancer early enough.

HARKIN: Well, I know. I read your testimony. I know. I read it, and I know that.

VISCO: Well, believe me, I wish...

HARKIN: And we're working on a blood test. You know that. We have this blood test now for...

VISCO: Ovarian?

HARKIN: ... ovarian cancer. Thank you. That might be possible. I mean, they're working on it now to see. But, in the meantime, we don't have it. And you're right. It may not be early enough, but it's earlier than what you might detect if you were just doing physical exams.

VISCO: Well, the issue is does it make a difference, and that's the debate around the trials.

HARKIN: Well, I thought the answer to that was, all other things being equal, yes, it makes a difference, that the earlier detected, the quality of life and the probability of having a longer life is much better.

VISCO: Well, let me respond that the data don't necessarily show that in terms of length of life, but certainly quality of life. The data show from the trials that more mastectomies are performed in the group that are screened by mammography than in the control group, because we don't know how to treat very early breast cancer, and we tend to do mastectomies often in that population.

HARKIN: Or lumpectomies or something like that.

VISCO: Yes, but the data show that more mastectomies are done in the mammography screened group. That's the data.

HARKIN: But that data is based on the 60s and 70s and 80s.

MIKULSKI: And now we have new approaches.

HARKIN: We have new approaches now. That's why I say doing this study does not take into account some of the new technologies that we use now and the new interventions.

VISCO: I know we can have this debate forever, and, again, our Q&A, I believe, lays out some of these issues, and perhaps it warrants a longer debate at another time. But sometimes breast cancer is not a very logical disease. It is a very complex disease.

HARKIN: Well, again, I ask, as I've asked the other panelists, all things being equal, if someone has the insurance coverage, or if they're low income and they can get access to the Breast and Cervical Cancer Screening Program, should they go ahead and have mammography? Every single person I talked to yesterday in my state of Iowa said yes. These are clinicians, doctors, nurses, and breast cancer survivors. Every single one said yes.

I don't know. I'm not a doctor, and I wouldn't give that advice. But I think one of the purposes of our hearing here was to try to clear the air a little bit and get a little bit more definitive statement to the women of this country.

You're right. Women can make up their own minds. But it's very difficult to make up your mind when you're faced with a life-threatening illness, and the people that you put your trust in and confidence in have no real definitive answers for you or no guidelines for you to take.

I keep coming back to my basic question. All other things being equal, is early detection better than later detection, and will mammography give you earlier detection?

Dr. Runowicz, what do you say?

RUNOWICZ: I'd like to answer several of the questions that you've raised, your nieces, for one. There's been a breast cancer prevention trial that has been completed in this country and showed that Tamoxifen prevented breast cancer, and there is a star (ph) study now. And if they meet the eligibility criteria -- I don't think they will, because they're not post-menopausal -- but I would certainly encourage that they look into clinical trials and that they certainly discuss the issues of Tamoxifen.

RUNOWICZ: As far as right now, there is no compelling evidence to alter any of our guidelines. Every single major institution, every single major organization, is still saying stick with your guidelines, which is from age 40 to 50, every one to two years -- some organizations say every year, such as the American Cancer Society. Others say every one to two, such as the National Cancer Institute and the American College of OB/GYN -- after 50, every year until there is another co-morbid (ph) condition which precludes the sensibility of continuing mammography.

The debate here today is a statistical debate. The debate here today is media hype. The debate here today is the New York Times front page. And that is why we are here today.

We are not here because there is new data. We are here because there are statisticians who, in their own group, the Cochran Group -- that is an excellent group. These two investigators did not have the entire group behind them, and the Lancet article that they published was not published with the entire backing of that group. Instead, that group published a separate article, and they have their web site, where -- dissension from the two authors.

So that is why we are here today, because somebody has reanalyzed data. And they have chosen, based on their statistical evaluation, that they wish to exclude other studies, and other groups, such as the U.S. Preventive Services Health Task Force, said no, we don't agree with their exclusion.

So looking at the raw data again -- and it has been done in 1993. But looking at that raw data again will perhaps readdress these issues. But there is no compelling evidence and there is no new evidence to alter our guidelines.

Was that clear?

HARKIN: That was very clear.

LEFFALL: I would just like to echo that -- you were asking the question about your nieces. Without any question, I believe the answer is yes, please get the screening mammogram.

And this is not saying you're opposed to any of the other things that were mentioned today in terms of access to care, but what could be more important than access to health care? That's one of the most important things. But today, we're talking about the mammography debate, and it is a debate, a statistical debate.

But I think that Senator Dr. Frist, a colleague, mentioned that when you're sitting with a patient, and that patient asks you, "Doctor, what should I get," and you go over a lot of information, they say, "You're asking me to make a decision in a few minutes, and you've spent your entire professional life studying this. I don't think you're being fair to me." I'd get that when I used to go into a lot of detail, yet you're trying to inform patients.

Patients should be informed. Patients are very intelligent. They should be informed, but when we cut through the chaff to get to the wheat, get the screening mammogram. That's the answer.

HARKIN: Thank you all very much.

MIKULSKI: Before we conclude, because I said I'd be the wrap-up questioner, I just want to reiterate essentially what has come out of this hearing, and then I have a final question for you, Doctor.

First of all, what we see is that the biostatisticians disagree. That's quick. And they will be continuing to look at data and analyzing it and so on.

Clinicians, those who have the lives of the patients in their hands, do not disagree. The clinicians agree and recommend in the most enthusiastic, unabashed, and unqualified way that we follow the existing guidelines that have been established by the National Cancer Institutes of Health, recently reaffirmed by the Preventive Health Task Force at HHS, and have been longstanding recommendations also of the American Cancer Society.

So this hearing should not end without it being clear that those who are in charge of America's public health, its research institutes, the oldest cancer organization in the United States of America, and representing the clinicians all agree that if you are 40 and older, you should have a mammogram every other year, and if there is indication of greater risk, either genetically or because of medications, to pursue it. So that's where there's an agreement.

There is also an agreement even among -- whether it's the biostatisticians or also among the advocacy groups, where again there's disagreements, that, first of all, yes, we need access. We need access to women's health care, and as part of that, whatever then -- if you have access to health care, your doctor then can recommend the best next steps for whatever seems to be. It could be diabetes. It could be lung cancer, which is the biggest killer of women. It could be for heart disease, et cetera, but access to health care, and then access, also, to treatments, which means, again, the way we need to look at our patients' bill of rights.

I believe, Doctor, that OB/GYN should be designated also as primary care providers. You are the first and sometimes the only physician that women see, and you're the one that can say, "Wow, 20 years on birth control. We'd better get you in now, even though you're 38 years old." So access.

Of course, this debate is moot for the poor, because of the limited access to health care and the even further limited access to treatments, even where there is diagnosis. And we've all heard that.

I thank all of you for mentioning the Mammogram Quality Standards, as well as the Breast and Cervical Screening program at CDC. Thanks to the advocacy groups -- and, Fran, I particularly want to mention your group in that -- we really pushed for that. I take pride that I was one of the prime movers of that, initially, and then had these fine men of the Senate really support us. And we now know that's made a difference, and we welcome any views on mammogram quality standards. So we thank you for that.

So that's where we agree. I mean, we agree we've got to have our mammogram quality standards. We agree we need research on new tools and on new treatments, but new tools and new treatments are a hollow opportunity if we don't have access to health care for women. The start for what is the best way to go for whatever we confront really needs to be having the access to health care.

So that, then, I think, is where we agree, and I think if people said, "Well, what would you think about all this, Senator," I would say we need to stay the course in terms of the existing guidelines until there's clear, compelling, and convincing evidence otherwise. But we really need to pursue these mammogram quality standards as well as new research.

I'm going to close with the access issue. I raised this issue -- Senator Clinton and others. We've got to be really careful that while we scientifically disagree, we do not end up discouraging health insurance plans from covering this important screening tool.

It might not be the best tool right now, but it seems to be the only reliable -- or at least pretty reliable tool. And, in fact, we would like for the health insurance industry to take a whole new fresh look at women's health care and what they reimburse, starting with designating the OB/GYN as a primary care physician along with other internists.

So we say to the insurance companies we hope you've learned something. We say most of all to the American women, if you're over 40, get that mammogram. If you're under 40, let's find a way to get you in to talk to someone to see if you're at risk and go from there.

Thank you very much, and I really want to thank everyone who presented their views. And for the biostatisticians, thank you, even for your disputed presentations, because they caused us now to take a new look at where we are. We thank you, and we encourage you to continue in your own good work.

This hearing stands adjourned.

END

**U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS
HEARING ON ENVIRONMENTAL HEALTH PROBLEMS,
3/6/2002**

CLINTON: We're going to have the first panel. Senator Reed had hoped to get here to testify himself and if he comes, we will interrupt our panel and let Senator Reed testify. But now we would like Dr. Jackson, Dr. Falk and Dr. Olden to please come to the table.

I am very pleased to chair today's hearing on improved surveillance of chronic conditions and potential links to environmental exposures. I want to thank Chairman Kennedy for granting my request for the committee to hold this hearing. It's a matter of grave importance to my constituents and to communities around the country and I think to all of us.

As we will hear from Dr. Ed Thompson, in one year alone, state health officers receive literally hundreds of requests from communities in their state for investigation into so-called cancer clusters. Now whether these clusters are actual or perceived, communities are right to be concerned about the rising rates of chronic disease because, unfortunately, the overall incidence in our country is rising. Children in America have experienced a 20 percent increase in asthma in the past 10 years alone. We've seen large increases in endocrine and metabolic disorders such as diabetes and neurological diseases such as Parkinsons.

And a recent study revealed that multiple sclerosis in women increased 50 percent in just one three-year period. Oftentimes, individuals and communities look to the environment as a possible cause or contributor to disease and communities and scientists have begun to trace the links between certain chronic conditions and the environment so that we are slowly beginning to fill in the gaps of our knowledge on both.

For example, as we will hear today from Dr. Thurston (ph) his most recent study shows a clear and devastating connection between exposure to small particles of soot and dust and the development of lung cancer and heart disease. According to the new study, the danger of breathing soot-filled air in polluted cities is comparable to the health risks associated with long-term exposure to second hand smoke.

Living in a city should not be the equivalent of living with a smoker. I think of some of my friends who have suffered from lung cancer and were never smokers and nobody could ever figure it out or explain to me or to them how this happened.

I'd also like to mention that certainly since September 11th, we in New York have been very concerned about the quality of air, both in the immediate vicinity of ground zero and how it has affected first responders and construction workers. We know that after a thorough screening of the fire department's personnel, 20 percent were found to have some respiratory problem that they did not have before.

We're seeing that the large percentage of fire fighters who experienced coughs and shortness of breath and a decline in pulmonary function are all likely tracing that to their exposure at ground zero. I held a recent hearing with Senator Lieberman to try to sort out what we know and don't know. I heard from many residents. I heard from people who work in the area. I heard from the teachers and the parents of children that go to school in the area and the reports are of persistent sinusitis, laryngitis, bronchitis and among some, the first attacks of asthma they've ever experienced.

Now in recent years, mostly through the study of twins, researchers have shown that our behavior and our environment play a much greater role in causing chronic disease than we ever once thought. As researcher Judith Stern (ph) puts it so vividly, genetics loads the gun, but the environment pulls the trigger.

When we can better identify the links between our health and our environment, we can take appropriate and cost effective action that will protect public health and possibly even save lives. Now one of the first major discoveries about the link between the manmade environment and our health concerns lead, lead in gasoline and lead in paint, which can

cause reduced IQ and behavior and learning disabilities in children. Since we began to phase out lead use in the 1970s, the number of children under the age of six with blood levels of lead above the current health standards has decreased by over 80 percent.

As a result of cancer tracking efforts, elevated rates of oral cancers among women in the southeastern United States were found to be linked to the use of chewing tobacco. Similarly, elevated death rates for lung cancer in coastal areas of Virginia, Georgia and northeastern Florida and Louisiana were eventually linked to exposure of shipyard workers to asbestos during World War II.

Our current public health surveillance systems were developed when the major threats to health were infectious agents such as polio and tuberculosis. And we do track infectious diseases nationally for a very good reason, because we need to respond quickly when an infection appears. But now chronic diseases are the number one killer of people in our nation. Among three out of every four of us in this room will die of a chronic disease. Now four out of four of us will die, we all know that, but anything we can do to make ourselves healthier and to save some money expended on the health care system on our way to that inevitability is I think a very good investment.

That's why we need to be concerned not just about pathogens, but carcinogens and toxins. As we begin a round of long overdue investments in our public health infrastructure due to the emerging press of bioterrorism, it is the perfect time to begin thinking about how to modernize our surveillance systems and best adapt them to current threats. Despite their extraordinary burden on our nation's health, we have no current effective and comprehensive way to track the outbreak of chronic diseases.

We do not for example even track birth defects nationally, even though they are the leading cause of infant mortality according to the CDC. The cause of up to 80 percent of all birth defects is unknown. Now we are making progress on mapping cancer cases but we don't keep track of autoimmune diseases nationally and I'm very concerned that we do not monitor in any ongoing comprehensive way, the outbreak of asthma in children. So we can and we should do better and through improved tracking, we will make a difference.

The purpose of today's hearing is to examine our existing public health infrastructure and discuss ways we can learn from and build upon an existing surveillance and data collecting system. We have to do this in a way that is effective and meaningful for Federal, state and local environmental and public health officials for the research community and for the many, many communities and families that are looking for answers. I'm delighted that we've been joined by such distinguished witnesses to address this important issue. I look forward to their testimony and I'm also pleased that two of my colleagues have joined us and I'd like to turn to them now to ask if they have any opening comments. Senator Reed.

REED: Thank you very much Madam Chairwoman and first let me thank and commend you for organizing this hearing on an incredibly important topic as you've outlined so well in your opening statement. We are looking today to see if we can develop systems for tracking chronic diseases and whether or not we can identify those potential links to environmental exposure which might cause disease. This is particularly important for all of us. It's particularly important for me in Rhode Island. Just recently we had an outbreak in Bow (ph), Rhode Island, where the chemical NTB (ph) infiltrated the water system of that community and we have fortunately developed an alternate supply of water but residents are terribly concerned that over the last few months they've been exposed to toxic which cause long-term adverse health effects.

I want to personally thank the toxic, agency of the toxic substances and disease registry, Dr. Falk. Your colleagues are on the ground today in Bow (ph) Rhode Island, helping to assess the health effects of the exposure and they're doing a marvelous job and thank you for being here. And I thank you for what you're doing in your agency.

This is just one example of the constant interaction between environmental issues and health effects and we have prepared for much more. In addition to public water systems like Bouroughville (ph), there's also a threat to private well systems and I'd like to work with my colleagues to see if we could at least start monitoring the effect of this on private well systems, helping people monitor their own water.

Also I'd like to recognize and welcome Dr. Ed Thompson, who is here. Dr. Thompson appeared before this committee with respect to childhood immunization and provided some very, very critical insights and I thank you for that and I look forward to your testimony today. We have a lot to do as outlined so effectively by Senator Clinton and it's time I think to get on with this work to establish the links between environmental exposures and disease, to track disease and to determine if we can anticipate and preempt some of the effects of environmental exposures. And I thank the chairman.

CLINTON: Senator Wellstone.

WELLSTONE: Thank you Madam Chairman. I too thank you for your work and I thank the panelists. I'm going to apologize too because I'm in and out. We have a very controversial nominee before the Ag Committee that I have to attend, but I want to be a part of your work. I mean the only observation I would make in less than a minute is (inaudible) Swedish sociologist, once wrote, ignorance is never random. And then my translation of that is sometimes we don't know what we don't want to know. And in many ways I think that's what you're going after here.

I've been in too many schools. I know when Jonathan (inaudible) took me to P.S. 10 in Mathaven (ph) in south Bronx, what is it, over a third of the children have asthma and I've been in too many schools where that's been the case and I just met with a group of wonderful people, neighborhood activists in south Minneapolis. They're worried about the whole question of lead poisoning and but I think quite often we just don't want to -- I mean the public health infrastructure is so important to really, to really collecting the data and really being able to being honest, intellectually honest, about what are the connections here and in a lot of ways, I think we've wanted to put this in parenthesis.

We haven't wanted to look at this and I think the only thing I would say to you Madam Chairman, not that you're afraid of controversy. You are -- you're not afraid to fight for what you believe in. I think that ultimately where this will take you and all of us will be, we're going to have to challenge some fairly powerful interests when it comes to finally just saying, look, there comes a point in time where everybody can organize production, how they want to and everybody should be able to do well.

We're a strong private sector economy. I believe in that, up to the point where you're poisoning the air or you're poisoning the water or you're -- and you're harming children in which case then the public interest takes over and we need to be there to protect people and make a difference. And so I think this is, this is cutting edge work you're doing. Thank you.

CLINTON: Thank you very much and I notice we have quite a crowd. If some of the folks in the back could move over a little bit, we could get more people in the door and there are a few chairs I see up in the front if somebody wants to come and stay, visit and I certainly don't mind, especially with all the students coming in since really this is more about their futures than mine. If they want to come and sit down here in the carpeted areas as well.

I'm delighted that we're starting with such a distinguished group of public servants and I can't stress enough how impressed I am at the quality of our public health officials and work force. For too long, they have been under funded and under appreciated and certainly although they technically have the authority to conduct surveillance and chronic disease tracking, they don't have the direction or the resources to do that and that's what we hope the legislation that we intend to introduce next week will be designed to remedy.

Our first witness is Dr. Richard Jackson, the director of the National Center on Environmental Health, Centers for Disease Control and Prevention. He served previously as the California, at the California Department of Health Services where he directed the division of infectious disease control and the division of environmental hazard assessment.

At the CDC, Dr. Jackson is working to make that institution a premiere resource on environmental health and I know that he has spent his life advocating for greater protection for our children's health and for greater understanding of how the environment affects all of our health. Dr. Jackson was at the field hearings that I held on Long Island last year and I'm pleased that he could join us today to talk about what the CDC is doing on these important issues. Dr. Jackson.

JACKSON: Thank you Senator Clinton, Senator Reed. Thank you for the invitation to be here with you today. There's no doubt that the environment plays an important role, human development and health. We know for example that asbestos causes lung cancer and lead impairs the development of the brain. The information is still out on many other outcomes that can be related to the environment and we need to know a lot more.

In January of 2001, former Senator Lowell Weicker issued a report from the Pew Environmental Health Commission called "America's Environmental Health Gap" and why the country needs a nationwide health tracking network. That gap that was described in the report was the lack of basic information needed to document and disprove possible links, prove or disprove possible links between environmental hazards and chronic diseases.

You've already talked in your earlier statements about the importance of chronic diseases and I would put this in the formal record that I'll submit and I'll truncate my comments here if I may. CCATSDR (ph) and sister agencies came together following this report and developed a strategy for developing and implementing a integrated tracking system and to develop a trained environmental health work force. You mentioned for example that most states have an infectious disease epidemiologist. I would say very few states have an environmental epidemiologist, that is someone who is trained to look at environment and look at human health outcomes. That infrastructure is much, much thinner than in the infectious disease area.

JACKSON: And one thing that's very important is improving the collaboration between the health agencies and the environmental agencies. In fact as we've gone along in this, sometimes we go into a state. We found out that the health leader has never met the head of the environmental agency and one useful part of this is just creating that convening process where we're bringing these agencies together.

We'd like to thank Congress for the appropriation of \$17 1/2 million in fiscal year 2002 to begin an implementation of a national environmental health tracking network. We've used this to support the development, beginning of a pilot tracking network in a number of states. We're not exactly sure what is the best investment, which diseases to start with. Some of these would take many years to put a tracking system in place and because of this, we've brought in 70 state partners, environmental and health people. We've had four rounds of meetings with them. They have extensive recommendations about here's step one. Here's step two and we're really at the stage where we're developing the blueprints. We haven't really begun an bulldozing or laying of the foundation but you've got to have a plan about how you're going to put all this in place.

One thing is the tracking of actual environmental hazards and that's something that EPA and the environmental agencies have much more strength with, but we've got to have common data systems. In other words, if the software that they're using is completely incompatible with the computers and softwares that the health people are using, that's going to make this much more difficult and in trying to go back and reconstruct exposures from five, 10 years, ago and having to reinvent it from inconsistent, incompatible data systems, is extraordinarily difficult. So just getting those systems coherent is very important.

The second thing is tracking of exposures and last year at this time we presented a report card on body burdens of chemicals in the American people. We reported on 27 chemicals including byproducts of tobacco smoke, (inaudible) other chemicals in the environment.

Later this year we'll be reporting on a total of 70 chemicals in the American people, again profiling body burdens of chemicals. We call this bio-monitoring but it's very important to know what's in the environment, know what's in people and then the third stage is no what happens to people, the health outcome tracking and that you've got to work with, old fashioned systems like vital statistics, birth certificates, death certificates and the rest in much more sophisticated systems such as you'll hear about today.

The leukemia cluster that we worked very hard on in (inaudible) Nevada, we at CDC, really is probably the gold standard of cluster investigations. Every child has been interviewed and four controls for every child, extensive questionnaires of blood specimens, urine specimens, genetic specimens have been obtained in that situation. It's really almost a laboratory for looking at this linking of environment with health.

And the other investigation we've been very active in is the World Trade Center which really I think exemplifies this need to link the hazards, the exposures and the disease outcomes. Our environmental health lab has received blood and urine specimens from the rescue workers at the World Trade Center more than 400 of them. We couldn't obviously do 10,000 fire fighters but we have them from 400 individuals collected about two weeks after the 9/11 event. And we're working closely with New York City, the fire department and many other partners to put this out. We hope to be able to provide a report. Already the fire fighters are receiving individual feedback about their results but the larger report is still in the pipeline but this will be very helpful.

I just want to mention, this question about how much registries or how many are there and what are they. CDC's funding 45 states, three territories in Washington, D.C. for the cancer registries. We're funding six states for estuary-related diseases. This was the pfisteria episode and what was going on with contaminated water systems. We have 35 states funded for birth defect surveillance and data usage and we're actually up to 37 states for asthma surveillance. So thanks to the support that we've received, that is just night and day different from where it was two years ago.

I've testified in front of Senator Reed about the lead surveillance program a number of times and you know that very well and I won't go into much depth there. In fact I'm going to close, skip the next two pages and just close with the point that the environmental health tracking program is a high-priority for CDC, ATSDR (ph) and all of our partners. It is very challenging. It's -- we're going to bring together people from all sides of government disciplines, local, state and public health and environmental leaders. It's a tremendous challenge.

The successful implementation will provide information regarding relationships between environmental exposures and chronic and other diseases and could lead to interventions that could make a difference in people's lives. We thank you for your support and for your invitation to appear here today.

CLINTON: Thank you very much Dr. Jackson. We've been joined by Senator Murray, a long-time champion of both health and environment. Would you care to make an opening statement Senator?

MURRAY: Thank you Madam Chairman. I'll just say how much I appreciate your having this very important hearing today. I've been an advocate for greater focus on environmental factors in contributing to the growing epidemic of a number of diseases from breast cancer to auto immune disorders and mass asthma over the years and I really think it is important that we focus on how we collect data and distribute it and educate people about the risks out there, but you can't talk about what to educate people unless you know what is out there and track it. And I've been especially interested in the last few years on the issue of asbestos and what happened in (inaudible) Montana and what we knew, didn't know, didn't

collect and didn't tell and are still not telling people about asbestos in this country. So I really appreciate your holding this hearing. I'm looking forward to hearing from the witnesses and having an opportunity to ask them questions.

CLINTON: Thank you Senator. Our next witness is Dr. Henry Falk who served as the assistant administrator of the Agency for Toxic Substances and Disease Registry in Atlanta. He previously served as the director of the division of environmental hazards and health effects at the National Center for Environmental Health at the CDC. Dr. Falk has been a leader on a wide variety of environmental health programs and initiatives at the CDC. Senator Reed and I were privileged to hear from Dr. Falk during the field hearing in (inaudible) Nevada last year and I appreciate him being here today to continue his efforts to educate all of us about what needs to be done. Dr. Falk.

FALK: Thank you very much Senator Clinton, Senator Reed, Senator Murray. The Agency for Toxic Substances and Disease Registry or ATSDR is a sister agency to the Centers for Disease Control of the Department of Health and Human Services in Atlanta. Congress created ATSDR by way of the Superfund legislation to assess public health impact of Superfund sites to nearby populations and to determine the relationship between exposures to hazards substance and disease.

As a result we work very closely with EPA and also with colleagues at NIEHS who are involved with Superfund work and others. We have specific language in our legislative authority to work on developing and maintaining registries of serious diseases and illnesses as well as persons exposed to toxic substances. For example we are currently working on developing a registry of asbestos-exposed workers in (inaudible) Montana and I'll speak briefly about that in a little while.

We have worked over these past 20 years to recognize disease patterns in relation to toxic exposures from Superfund sites and so our work through the Superfund program links up I think with the general interests that we all have here in terms of environmental disease tracking.

We have worked closely in responding to the Pew Commission recommendations with CDC and have assisted and supported them in their efforts, including developing the CDC ATSDR response to the Pew Commission recommendations and we hope and anticipate to be able to continue working with CDC on further planning and implementation of environmental public health tracking network.

I wanted to briefly emphasize several aspects from our work that I think are of relevance as we move forward in this area. First is the efforts to portray a difficult picture in ways that people understand, in trying to link health data and environmental data, exposure data, hazard information. That's a lot to hold together at one time and we rely very heavily on our Superfund program on geographic information systems to be able to portray to people where are plumes of exposure, who is exposed, what are the health effects that we know and kind of overlay the different data systems so members of communities and people can understand what the data may actually mean and I think that has, those kinds of systems have potential for all of us as we move further in this area.

FALK: It's something that we thought a lot about over the last several months in terms of response to bioterrorism and how to portray some of those hazards. So I think it's not just GIS (ph) systems, but we need to think in terms of improving technology as to how to develop, portray and assemble data in ways that are meaningful for everybody.

Second, we do work in a number of areas, some of which have been mentioned in the opening statements. I wanted to refer to one of our recent reports, a study on childhood cancer, leukemia, in Toms River, New Jersey, a study which was released in late December. Working with the New Jersey Health Department, ATSDR showed that the overall childhood cancer incidence rate in Dover township, a portion of Ocean County, was statistically significant, elevated over a period of approximately 15 years. The excess rate was primarily

due to leukemia and central nervous system cancer in female, young females residing in Toms River.

Working closely with New Jersey Health Department, we designed a study to test the hypothesis that water contaminants or other substances related to Superfund sites in the area might have been related to the increase. The ATSDR contribution to that study was to conduct a very painstakingly put together model of the water distribution system over a period of 35 years and actually there are dozens of wells in the Toms River Township and they came in and out of service over the course of several decades.

And to be able to do a proper study looking at the children with cancer and comparing them to others, you actually have to know how much water from different wells came to the individual faucets in homes so then you could have some kind of proper exposure assessment and we were able to develop with these systems of experts at Georgia Tech a water distribution model which was able to estimate by month from 1962 through 1996 the percentage of water from different and as a result, we're able to show an association just for the leukemia and with prenatal exposure to water from contaminated wells.

It's unusual in cluster investigations to be able to demonstrate such an association. The lesson for me is that if one gets very precise data, in another words we get that (ph) Dover (ph) Township, not just all of Ocean County. We didn't lose the increase in Dover Township by assembling data from a much broader area and by painstakingly reconstructing the water exposure, we're able to demonstrate an association which I am sure would not have been seen if one were just comparing in a more cursory manner county data with location of Superfund site. So the lesson there is that as we embark on this work I think better data, better precision, more accuracy and assembly of all of this in ways that one can test hypotheses will be very important.

In terms of surveillance systems or tracking systems, we at ATSDR have a hazardous substance emergency events surveillance system with 16 states. This was started after the Bhopal tragedy and an attempt to keep track of smaller such releases that might occur, accidents and so we do have in 16 states and I think the data is helpful to people in most states in terms of understanding what kinds of chemicals and situations are likely to lead to releases.

We place a great deal of emphasis on developing new tracking systems. I think you're very correct that there are a limited number of diseases from which you actually do track in cancer, birth defects, asthma, but there's a whole host of diseases from which we don't and some of those figure prominently around Superfund sites, concerns about neurologic disease such as multiple sclerosis, ALS, Parkinsons, frequently raise concerns about lupus and frequently raised by people concerned about their exposures to chemicals.

Senator Clinton referred to an ATSDR report just published in a journal called "Neurology," which, looking at national health interview survey data, demonstrated what appears to be a 15 percent increase in incidents from the early '80s compared to a three-year period during the mid '90s. We have pilot surveillance efforts for multiple sclerosis underway in several communities in Ohio, Missouri and Texas because to this point, we don't really have good incidence data on how often this disease occurs throughout the population.

But of course multiple sclerosis is just one disease that comes up and I think we need to think carefully about which diseases would be particularly important in terms of, especially in terms of potential for environmental exposures being important. Exposure to asbestos is clearly one of the things that's very important to us in the Superfund program. As Senator Murray mentioned, Libby (ph), Montana, ATSDR conducted a medical screening program in Libby, Montana, primarily in the summer of 2000, but also again last summer we've examined over 7,000 people there which is a good percentage of the population in the Libby, Montana area. Eighteen percent of all the people examined, and these were basically well people, seemingly well people coming in for a screening examination, 18 percent of all those people were found to have a lung abnormality, pleural thickening related to asbestos

exposure and former WR Grace workers in the community had 48 percent incidence of such abnormalities and they're related to the (inaudible) asbestos in that area which is a contaminant of vermiculite.

I think that if a tracking system such of a kind that you all are talking about had been in place, I really do think this problem would have been perceived years earlier and hopefully would have prevented considerable anguish and heartbreak and suffering in that community. The cancer death, the death certificate data, when we looked back on it now for the 1980s and 1990s definitely shows a markedly increased incidence of asbestosis, probably 50, 60 times expected rate.

So and finally let me just mention that, in terms of registry work, we are also having discussions along with many others of my colleagues to my side with New York City health department about issues potentially thinking through the ideas of what a registry in the New York area could look like and that's active discussions that we're all embarked on now. So again, I appreciate the opportunity to be here. I'd be happy to answer any questions. Thank you very much.

CLINTON: Thank you very much Dr. Falk. And our next witness, Dr. Kenneth Olden is the director of the National Institute of Environmental Health Science and a director of the National Toxicology program. He is an expert on cell and cancer biology and has won numerous awards for his work in these areas and I greatly appreciate Dr. Olden joining us today.

OLDEN: Thank you Senator Clinton. Senator Reed and Senator Murray and other members of the committee, I'm very pleased to be here today to discuss the important link between the environment and chronic diseases and disorders. Today in my oral testimony, I want to make just one point. I want to emphasize the important role that the environment plays in the development of chronic diseases and disorders. However, I want to emphasize that while my institute was invited to make this presentation, other, in fact all institutes of NIH support research on environmental aspects of various diseases.

Now let me start by saying that virtually all diseases have both a genetic and an environmental component. In fact, most diseases are caused by the interaction of three factors. One's genetics, one's environment and one's behavior. But since behavior is influenced by both genetics and the environment, then I guess disease etiology and development reduces (ph) to have been caused by genetics and the environment.

The truth is however, that there are very few diseases that are caused only by genetics. Likewise, there are very few diseases caused solely by the environment. The truth is that most diseases like cancer, Parkinsons, Alzheimer's osteoporosis, asthma, autism, diabetes, auto immune diseases are caused by genes, environment interaction. Therefore, to prevent these chronic devastated diseases, we're going to have to understand the contribution of both genetics and the environment to their development.

Now as Senator Clinton pointed out in her opening statement, the relationship between genes and the environment can be compared to that of a loaded gun and its trigger. A loaded gun by itself as you know, causes absolutely no harm. It is only when the trigger is pulled, that the potential for harm is released or initiated. Likewise, once can inherit a genetic predisposition to have a disease but never have the disease unless exposed to the environmental trigger.

Now the loaded gun is genetic susceptibility genes. There can be one or more such genes, but it's so important to understand that even though one inherits genetic predisposition genes, one may or may not have the disease as a function of whether one is exposed to the environmental trigger. So the opportunity to prevent diseases is enormous. We can control our behavior. We can regulate exposure to environmental toxins and carcinogens.

Now as Senator Clinton pointed out earlier also, twin studies represent the gold standard for differentiating between the contribution of the environment versus genetics. About two years ago, there was a landmark paper published in the "New England Journal of Medicine" by a Professor Lichtenstein (ph) and his colleagues and they were looking at 11 very common cancers and the question they asked, what percent of 11 common cancers can be attributed the major respecter (ph) to cancer versus the environment.

They concluded and I quote, genetic factors make a minor contribution to susceptibility to most types of cancers and that the environment plays the principal role in causing sporadic cancers. They looked at the 11 cancers. In fact, on average, genetics contributed to about one third of the risk for these 11 cancers. They are common cancers. The environment contributed the major risk which was about two thirds of the risk.

Now similar studies have been conducted for other diseases, for example Parkinsons disease. A few years ago, Caroline Tanner (ph) and her colleagues at the Parkinsons Foundation in California also did a twins study and they reported that on late onset Parkinsons disease, that is disease that occurs after age 65, which is the majority of Parkinsons disease, then only 15 percent of the late onset disease can be attributed to genetics. The other 85 percent was attributed to the environment. But the truth is and I want to underscore that. It's not just the environment. I think when you finally unravel the causes of most chronic disease it's going to be genes and the environment interacting together and also with one's behavior and also as a function of one's age and stage of development.

Senator Clinton mentions senior citizens and children. They are especially vulnerable and a high risk because of their age. Now because of the investment that has been made in the past 10 years in the human genome project, we now have the tools to answer the questions that Senator Clinton pointed out earlier. We could develop the tools to do the environmental monitoring, to develop the databases. Now and to answer the fundamental question that need to be answered in relationship to the genes and the environment and the respective contributions to chronic diseases.

So let me just close by mentioning three major undertakings that we've initiated at the NIH with the leadership on these three projects at NIEHS. In 1997, we initiated a major national effort at the NIH to identify and it's called the environmental genome project. It's a major effort to identify every environmental susceptibility gene in the human genome. Now there is another major effort at the NIH called the single nucleotide polymorphism project that attempts to, that addresses the same issue but that project will also identify all susceptibility genes irrespective from where they require environmental triggers or not.

So the NIH is making the investment to provide the information about susceptibility. Susceptibility is a very important issue and genetics is one of the major controlling factors in susceptibility.

We also about two year ago, started another major national effort called the national center for toxico-genomics. And this is a high throughput genomic screening method to identify the top, all the top toxic and carcinogenic agents in the environment to which you and I are exposed.

Now it is a fact that we're exposed to a number of agents in the environment and we only have good toxicological data on no more than 20 to 25 percent of those, meaning 70 to 75 percent we don't have the data on. Well that means that we're living in a state of toxic ignorance if we only had good data on 25 percent of those.

And finally, we are in initiated with collaborations with other institutions in the NIH as well as CDC large population-based study, using the technologies and the knowledge that we gain in the environmental genome project and in the National Center for Toxico- Genomics (ph).

So let me just conclude, I, we can do the science to answer the important questions and tease apart the contribution of genetics versus the environment and it is, it is probably one of the powerful ways to prevent chronic diseases and to reduce the pain and suffering and to lower health care costs. Thank you very much.

CLINTON: Thank you very much Dr. Olden. Well, I think we have been exposed to some extraordinary information and ideas and I want to thank all three of our witnesses. Dr. Jackson, if I could start with you. The HHS healthy people 2010 document states that poor environmental quality is estimated to be directly responsible for approximately 25 percent of all preventable ill health in the world. Are we doing any international work? We just heard a good description of what we're doing here in our own country in our own government. Are we doing any international surveillance with respect to the integration of the environment and health?

UNKNOWN: To my knowledge, there's not direct appropriation in this area. CDC, which I can speak to, is overseas working very actively in immunization programs, the worldwide polio eradication effort. Right now one of my staff is working on the border of Afghanistan and Pakistan. She has overseen the project for 3 1/2 million refugees have been immunized against measles, polio and other diseases. That's more than were immunized in the entire oversight period of the Taliban regime. So it's been a tremendous effort in improving health there.

We do, we, CDC, have worked very closely with the Chinese and believe it or not, China just named and created a Chinese CDC which - the word CDC has no meaning in China, but they have modeled themselves because they're interested in how to practically change the health status of that population. There are tremendous environmental problems in virtually all the developing countries around the world.

One of the projects we've been working on is a, we call it (inaudible) but in essence it's a dialogue process where the community is actually working with the experts. What usually happens, the experts come in, tell a poor community you're disenfranchised. Here's what you need to do and it never works. There really is a need for that community to own whatever the interventions would be and because of this for example in Peru, CARE has awarded over \$2 1/2 million in community-based intervention programs in impoverished communities around environmental health. That said, the issues of mega cities and environmental change worldwide are extraordinarily important.

CLINTON: I hope that as we do put together our own thinking about this. We keep in mind whatever information and data we can obtain from other countries as well. I understand also that the CDC has an incentive for birth defects and is also looking at developmental disabilities including autism and cerebral palsy. How if we were to move forward on the health tracking plan, would you envision the kind of surveillance methodology that would help us address this range of chronic disease including diseases like autism and cerebral palsy.

UNKNOWN: Number one I should defer to Dr. John Harris, who is, has actively managed one of the largest state birth defects registries in the country and basically the California one. That said, those require active surveillance for many of these developmental disorders. And what I mean by active surveillance is you can't sit back and have these reports appear on someone's desk.

In these programs, we have actually had to have abstracters, individuals go out to the hospitals and track these cases down. You got to make sure you're not counting the same person three times over. And for many of these problems, they don't appear until a child is three, four or five years of age. So this will be labor intensive. It is important to pick end points that you can measure early on and let me just say, bad data is worse than no data at all. You're better off doing it well in smaller areas than trying to do it poorly in large areas.

CLINTON: Thank you. Dr. Falk, I want to thank you also for what you're doing at the World Trade Center to help set up the registry of workers and residents in lower Manhattan. That's a very important effort and you talk in your testimony about ATSDR's authority to develop and maintain registries. How much, do you have any sense of how much additional resources and assistance you'd need in order to develop a more comprehensive nationwide health tracking network?

FALK: I think that's a very important question. At ATSDR over the last 20 years, the only registries that were developed and I arrived at ATSDR a little over two years ago. But historically the only registries that were developed were groups of people exposed to specific chemical substances such as dioxin, such as trichloroethylene who can then be tracked over time so we can learn more about the relationship between those chemicals and potential long-term effects. Before I came, there were discussions but actually no serious effort to start any type of national disease registry and I think the whole concept was just daunting to a relatively small agency like ATSDR.

I am particularly interested in this because it's clearly a concern at sites and so I am very aware of your interest and how it could mesh with what we do at Superfund sites. But I think it will require considerable attention, a step up in training and resources available, probably to health state departments, capacity to do these things. So it's I think just one thinks of the efforts to set up cancer registries or birth defects registries around the country. It takes no real effort and development of expertise locally in state health departments.

One of the things that's important in terms of thinking about disease surveillance is that it's not just a matter of adding another disease to somebody's reporting system so that for example if one wants to do surveillance for autism, one really has to think of the kinds of people who are treating children with autism and are collecting that data. If one is thinking about pulmonary diseases related to asbestos, that's a different group of physicians who are maintaining those records. Similarly multiple sclerosis and neurologists or lupus and rheumatologists, so it is a more intensive effort than simply advising someone to check off yet another disease.

CLINTON: I think that Dr. Olden's testimony drives home for me that the extraordinary breakthroughs we've had from the human genome project, you know, five, 10 years ago, we could not have even had this discussion and it would not have been likely that we could be talking about a health tracking system to try to make those distinctions between genetics and the environment. But I am very impressed with the emphasis that you're placing on this interaction between the environment and genetics and to try to find out more about susceptibility. You talked about the children's longitudinal study in your testimony. What environmental, behavioral and psycho-social factors will the study observe and how will those exposures be measured?

OLDEN: The study is just in the process of being designed and so I don't know. We've brought together a number of experts and the design of the study will take another year or so. But and it's a government effort. We are one of the four co-leaders but I guess today none of us could say exactly what the ultimate design will look like. But we're going to look at a whole host of factors and certainly behavior will be one of them and probably the most significant one because children's behavior is very different from that of adults. As a consequence, their exposure would be very different from that of adults. But in terms of specifics, we don't have them in place yet Senator Clinton.

CLINTON: We will look forward to receiving information as you go forward with that. Senator Reed.

REED: Thank you very much Senator Clinton. Thank you gentlemen for your testimony and for your work and again, let me commend Dr. Falk. You and your colleagues have - we were talking on Monday when they came up to my office in Rhode Island and they're doing a very good job of identifying the current problem. But then we talked about the long-term surveillance and they indicated quite clearly that's not within their purview or their ability

and that falls back upon the state. So it raises a question I'd like to raise with all you gentlemen. But if we do this, we're going to have to have the states become involved, nature, health departments. And many times my observation is what little resources that you have, they have even less for public health problems. And then if we're really serious about developing a national system we have to have a concomitant obligation and enthusiasm on the state level and I wonder if you might comment just generally Dr. Jackson, Dr. Falk, Dr. Olden.

FALK: Thank you very much and I'm glad the ATSDR team was able to be helpful and we'll do whatever we can to...

REED: Thank you.

FALK: ... to assist you in Rhode Island. You're correct that. When one thinks about tracking systems and developing data, one really has to think of how it's collected locally and collated and then maybe it's assembled nationally and interpreted, and but really the strength of the state and local health systems in terms of collecting, working with the data, assembling it, knowing their local communities and what it may mean is obviously very essential. So I think for I'm sure for all of us as we think about any kind of environmental tracking system, it must start with a very strong foundation in state and local health departments.

REED: Dr. Jackson.

JACKSON: Frequently when one is trained to grapple with a very large and difficult problem, the tendency is to want to buy things, computers or systems or vaccines or antidotes and the important part of this investment in many ways is a very well trained competent workforce. You can't do this unless there are people that can pull together and weave together these strands, interpret them and then interact with both elected officials and with communities in a very reasonable way.

Twenty to 30 percent of all the local health department staff are environmental health people and yet precious little satellite training, web-based training, development of these people goes on right now. It really is something that absolutely has to be done.

REED: Is there - following up Dr. Jackson, is there any agency of the Federal government that's invested in this notion of training in a systematic way?

JACKSON: CDC does training but it's mainly done in the infectious disease area. I would say we've not done anywhere near as much in the environmental arena. The HRSA (ph) health group at HHS does some training. It's more for their HRSA clinics and their clientele as well and EPA of course does a lot of training but it's more on the engineering and legal side, rather than on the health side.

REED: Dr. Olden.

OLDEN: Let me just be brief and say that the research endeavors and our capacity to translate our results into public health policy in the practice of medicine. In the future it's going to require partnership, not only with state and city health officials, but also with communities and health care practitioners. So I think the wave of the future is collaboration and partnerships, at least that's what we're thinking in the National Institutes of Health.

REED: Thank you Doctor. We all recognize this is a very complicated problem in terms of technical issues and systems that talk to each other with common data and well-trained individuals. Let me add a further complicating issue. In regard to birth defect registries and surveillance, we have heard some comments that state privacy laws are inhibiting the free flow of information. And that raises the general question of whether both state and Federal legitimate concerns about protecting privacy, would present real challenges to developing surveillance systems.

JACKSON? : I would defer to Dr. Harris and the later speakers number one. That said, the information that for example, CDC collects, I cannot think of any situation where there has been a breach of privacy and we collect enormous amounts of information from the (inaudible) surveys to STD and many others. It is absolutely essential that the coding, the encryption, the privacy be maintained. At the same time if the public wants to know what its disease rates are, we're going to have to have some kind of access to records.

REED: Any other comments?

FALK? : I think these are particular concerns especially in areas where total numbers of cases of one thing or another may be relatively small in rural areas and especial concerns that I know the CDC statistical groups do in dealing with small areas where there may be much greater knowledge of what particular cases, who that might refer to.

OLDEN: I would just say, using contemporary genomic technologies, we're going to be able to generate a lot of information, a lot of data about issues like susceptibility (ph) and so in this kind of environment, clearly privacy concerns become very important.

REED: Thank you very much. Thank you Madam Chairman.

CLINTON: Senator Murray.

MURRAY: Thank you very much Madam Chairman and thank all of our witnesses today for their very important testimony. It's a very interesting and difficult issue we're all trying to grapple with. As I mentioned in my statement and you referred to too Dr. Falk, I have been very concerned about the issue of exposure to unhealthy concentrations of asbestos and this came to my attention because of what had happened in Libby, (ph) Montana. I know the chairwoman and Senator Clinton is very concerned as well about what's happening at ground zero. It's my understanding Dr. Falk, that your agency has been working with the EPA's office of solid waste and emergency response to review county health data to determine whether or not there are high exposures in other areas of the country. Can you update us on what you know about that or what you're seeing out there that we should be aware of.

FALK: Well, the - we have looked at the data in Libby, Montana and the surrounding portion of Lincoln County and we've looked at mortality data as well as morbidity data, illnesses reported to local physicians and pulmonary specialists and the screening that we did in the medical testing, so we're putting together a picture in the Libby, Montana area from the mild to more severe disease.

I think what you're referring to is that the vermiculite from the Libby, Montana area was shipped elsewhere in the country and the nature of processing vermiculite is when you heat it, it pops, kind of really like popcorn and so it's easier to ship it first and then process it in local areas where it's then used commercially and we have developed a protocol at ATSDR which we shared with a number of the state health departments so that the state health departments can look at mortality and morbidity, cancer registry data in their areas in a uniform way and look at whether any of those particular processing plants around the country seem to be related to disease in those areas. We have funded seven state health departments to do this work and that is ongoing. I don't have the results for that yet but they are looking for an incidence of mesothelioma, lung cancer.

MURRAY: How long will that take to...?

FALK: I think we will have that possibly later this spring so probably in maybe several months is my impression and we also in three states we are also working with and I believe that's New York, New Jersey and Wisconsin. We are working with them to look at their tumor registries and look at mesothelioma occurrence in their tumor registries and work backwards from that to see if there might be cases of mesothelioma that seemed to relate to vermiculite asbestos exposures.

When the National Cancer Institute looks at mesothelioma data, I believe that they can - there's a readily understandable link to asbestos exposure in a majority of cases, approximately two thirds but there are some case of mesothelioma which the link to asbestos is not understood and one of my concerns is that perhaps this could be related to associations with asbestos that were not appreciated previously like with vermiculite products or insulation or so on. So we're working with those three states to look at their mesothelioma data and see if there's any link and I'm not sure of the date when we'll have that information but I think that will take a little bit longer than the health statistics reviews.

MURRAY: When you have that, I would very much like to be brought up to date on what you have. I'm very concerned about this issue and continuing exposure. I know Senator Clinton shares that with me and I want to work with you to do what we can. Of course when we get that information the challenge then is to educate people about what the risks are and to do what we need to do in order to prevent others from being exposed as well and that includes all (inaudible) asbestos to other environmental factors that can trigger risks. And I'm curious how do we disseminate information? I know we're trying to let pregnant women know that right now, with the dangers of mercury, high mercury levels in fish, but how do you let people know once you have the access to the information and you know that there is an environmental link and people need to be (inaudible)?

FALK: Well, ATSDR, so much of that work is related to Superfund sites. We actually work in communities and around those sites. We work at about 500 sites per year so that our health education, risk communication programs at ATSDR are very heavily focused on communities involved. So for example, in the Libby, Montana area, we have a number of different ways by which we try to do community health education such as health fairs and materials and programs that are available to members of the community. We've had professional education programs for the physicians to make sure they're all aware of the different (inaudible) and potential complications from asbestos exposure. We provide many training materials such as case studies in environmental medicine that physicians can do for continuing medical education with tox specs and tox profile information. So we have a broad variety of educational materials which can be distributed more widely.

MURRAY: I would think most consumers in this country would be pretty shocked to know how much asbestos in many products that they use every day and it's difficult. One of the challenges of course is letting people know once we have the exposure, but I think the other challenge and barrier really to understand is collecting information from people is not always easy and I would just share with the committee.

My father had multiple sclerosis and he grew up next to Hanford Nuclear Reservation during the time that that was being developed. He actually was picking asparagus in fields next to it. He was diagnosed with MS and I remember him going back to his high school for a high school reunion and there was something like 20 or 25 of his high school classmates who also were diagnosed with MS and he came home and made a comment about the number of friends that have that and I said, gee, do you think that had anything to do with the fact that you grew up next to Hanford Nuclear Reservation and he said my government would not do that to me.

I will not forget that because how do you ask people for information when they don't really want to know the answer, even with asbestos, where people don't want to really believe that the person who employed them and took care of their family and provided them with a paycheck, could do something like that to their family. So it's a barrier I think in all of these issues which we're trying to gather information. People sometimes don't want to know the answer.

FALK: This is exactly how our MS program actually started with similar concerns around the lead smelter in El Paso, Texas and similar concerns in the community about too many people seem to have, in that area where among high school graduates and that's led us to start these pilot tracking programs for multiple sclerosis. There's not the current subject but

at ATSDR, we've been very actively engaged for a number of years in the Hanford community and maybe that might be something to discuss at a different time. But that's a very important issue for us at ATSDR as well.

MURRAY: Dr. Olden, you had (ph) a comment about collecting (inaudible)

OLDEN: Yes, we outreach to communities through town meetings and we let the local organizers determine what the agenda that we discussed for a day and a half are and as a consequence, the kind of issue that you raised about your father getting information about workplace exposures and so forth are just the kind of issues that we discuss at these town meetings and we have these town meetings four to five a year around the United States and most recently in Texas in L.A., Seattle, Washington, Tennessee, Ohio. And I think that's the way. In addition we have 40 centers that we support and we require all of them to outreach to the local communities and provide just the kind of information to lay people that you mentioned.

MURRAY: Dr. Jackson (ph).

JACKSON: Communicating around health issues is really very, very difficult in a lot of ways. You just reflected communicating around environment issues is also very hard. It's often very technical. You mix the two together and it becomes very difficult. One lesson we've learned is sometimes when people say communication, they have this vision of news things from on high that get out in newspapers and the rest. And what communication and environmental health is, is something you start out right at the very beginning. There's got to be a dialogue between that community and their concerns and the people that are working on it and swooping in at the end with some kind of communication strategy never works. It really has to be an ongoing process.

MURRAY: Thank you, very much appreciate all of you being here today. Thank you Madam Chairman.

CLINTON: Thank you very much Senator Murray and we're joined now I'm delighted to say by Senator Jeffords who not only serves on this committee, but chairs the environment and public works committee and Senator, would you care to make some comments?

JEFFORDS: Certainly would. I'm also supposed to be on the floor on the energy bill right now so just came from my own hearing. Busy day, which they usually are. But I just want to commend you for this hearing. There is such a close relationship between the environment and so many health problems that we have in this nation and that if we don't really take the time we should to try to find out what the impact is and how we can prevent those from happening, we won't be doing the job we're supposed to be and of course the same is true of the energy aspects that we have now with respect to pollution. And so I just want to commend you for holding this hearing and want to work closely with you in combining all the different committees as to how they look at these matters so that we can have a coordinated program and try to do that. But I commend you for the hearings and wish that I could stay.

CLINTON: Thank you. Thank you for your leadership Senator and I appreciate your coming and I think the senator's is really an important one because all of these issues interact. And back when Senator Murray's father was asked that question, we didn't know as much as we know now. you know, back when my mother smoked during World War II, she didn't know that it would cause cancer. We now know and therefore we have to act and that's what I want to try to stress is that if we continue to ignore and deny a lot of this information, whether it's on Senator Jefford's very important legislation about clean power or what we're doing here on health tracking, then we are abdicating our responsibility and I appreciate that we have the quality of leadership in our public health systems that these three witnesses have evidenced today and I thank them for being here.

UNKNOWN: Thank you very much.

CLINTON: We're now going to move on the second panel and I am delighted that we have such an extraordinary collection of witnesses for this next panel who have very specific concerns and recommendations about how we deal with the complicated issues that have been raised this far and as the panelists take their seats, I'm going to be introducing them so they can immediately get into their testimony.

Our first panelist will be Dr. John Harris. Dr. Harris is a very distinguished leader in the birth defects area where the March of Dimes has been involved for quite some time and I'm just so grateful that Dr. Harris is here because of course no one has done more over so many years to deal with issues about birth defects than the March of Dimes, starting back with President Roosevelt. So let me thank you Dr. Harris for joining us and I look forward to your testimony.

HARRIS: Thank you Senator Clinton. I'm a pediatrician and director of the California birth defects monitoring program and it's truly a privilege to be before the Senate. I'm here on behalf of the March of Dimes to urge you to support more surveillance and research in the causes of birth defects. I want to talk to you about the problem of birth defects. Birth defects are conditions like spina bifida, cleft lip and palate, congenital heart disease, missing limbs, mental retardation.

HARRIS: These conditions kill children, disable children and result in multiple hospitalizations. Every year in the United States, 150,000 children are born with a birth defect and if you take this 150,000 birth defects are three times more common than all of childhood cancer, all of pediatric AIDS, juvenile onset diabetes and (inaudible), cystic fibrosis and autism put together.

Out of the 150,000 children born with birth defects, 15,000 children will die every year. Now if four children die as a result of a violent crime, it's front page news. But every year 15,000 children die as a result of birth defects and there's no news at all.

The cost to treat children with birth defects, both for health care and special education, varies between \$100,000 per case to \$500,000 per case. This makes the aggregate cost every year in the billions of dollars. And most importantly, birth defects can happen to anyone. There's a belief that birth defects only happen to the poor, to people of color, to women over 35 and to teen moms. In fact this is untrue. Data from the California birth defects monitoring program shows that women of all ages, of all races and of all social classes have very similar risks of birth defects.

And in addition with birth defects, they have a special place in surveillance because they're a sentinel outcome. A fetus as you know is very small and is therefore likely to be affected at levels way lower than an adult. If you like, birth defects in terms of surveillance and tracking, are the canaries in the mine right now.

So what are we doing about this? Last year the Congress and the president signed into law, making a new center at the Centers for Disease Control, the National Centers for Birth Defects and Developmental Disabilities. These centers fund 28 states to do health tracking. But let me just give you some perspective about health tracking. Health tracking is merely a first step. It is a first step because it tells us who's at risk. It does not tell us why people are at risk.

So in addition, the National Centers for Birth Defects and Developmental Disabilities fund eight regional birth defects centers that do research about causes of birth defects. Let me just highlight some of the findings we have from California to tell you how research discoveries make a difference in this field. When I'm talking about environment, I'm talking about the broad definition. This can be a dietary factor, an infection, a chemical factor, a lifestyle factor, anything that the parents can come into contact with during conception or the mother comes in contact with during the first trimester.

As you testified, we were part of the research in the March of Dimes showing that folic acid, taken at the time of conception, prevented spina bifida. And that finding was the basis for the Food and Drug Administration fortifying the grains with folic acid and now we see (inaudible) spina bifida going down. Yesterday's research is today's cure. In addition, as other people have testified, we have also found that genes alone do not cause birth defects and in fact genes need to be triggered by an environmental factor.

The best example we have of this is that we have found that smoking in combination with a abnormal gene that's very common but harmless in the population, so smoking in combination with an abnormal gene causes a whooping eight fold increase in cleft lip and pallet. The analogy that I just want to leave you with is to think of genes as a windy road, by themselves harmless and think of an environmental factor like tobacco smoking as driving 80 miles an hour. You have to put the two together to have a lethal result.

In addition, in California recently we found that air pollution and specifically exposure to automobile exhaust in the Los Angeles area was associated with congenital heart disease and what was very worrisome about this is the higher the air pollution levels, the greater the risk of congenital heart disease.

But there's so much more to do. As I told you, birth defects can happen to anyone and as you yourself said Senator Clinton, the causes of 80 percent of birth defects remain unknown. So I'm here to urge you to fund those eight regional centers to increase, to double their budgets so that they can do more research to determine what the links are between the environment and birth defects. And the reasons for this are obvious. The family values argument says every child deserves a fair and healthy start in life. The financial argument says every dollar we spend on research prevention will save thousands of dollars in terms of both health care and special education costs. This is not a case where an ounce of prevention is worth a pound of cure. In this case, an ounce of prevention, is worth a ton of cure.

The other thing that we all know is research works. March of Dimes certainly knows research works. They funded the research that developed the polio vaccine. Every scientist up here will tell you research works and of course the Senate knows that research works.

Finally, I told you that there were 150,000 children born every year with a birth defect. This, the overall risk then, is out of every 28 babies born, one child will have a serious birth defect. Now this is a very big number. This means that in every classroom in America, every single classroom, one of those children will in turn have a child with a birth defect.

So this means many of your constituents will have children with birth defects. Some of your friends will have children with birth defects. Perhaps my future grandchildren will have a birth defect and perhaps your future grandchild will have a birth defect. So my final thought is this. Children need to come first. I'm here on behalf of the March of Dimes to urge you to invest a modest \$10 million into surveillance and research in the eight centers of excellence and in the eight birth defects research centers for excellence. Thank you.

CLINTON: Thank you very much Dr. Harris. I certainly appreciate the work you're doing and your continuing focus on it. Our next witness is Dr. Ed Thompson and clearly as we heard in the first panel, as all of us know, the states are the real crucial actors in our public health infrastructure and that's why I'm so pleased to have Dr. Thompson here to speak about the expertise the states have in health surveillance as well as the assistance and the resources the states need to have in order to do the job they want to do for their citizens. Dr. Thompson is the state health officer of Mississippi and the past president of the Association of State and Territorial Health Officers. He has also served previously as president of the Council of State and Territorial Epidemiologists and he served as Mississippi's state epidemiologist for 10 years. Thank you Dr. Thompson for coming.

THOMPSON: Thank you Senator Kennedy (sic). Members and staff of the committee. It's a privilege today to represent ASTO (ph), the Association of State and Territorial Health

Officials whose members are the chief health officials of the states and territories they serve.

Let me begin with the two specific areas the committee asked me to address. Dealing with concerns sometimes from health care providers, but more often from individual citizens about possible exposure to some environmental contaminant or about the apparent spikes in disease occurrence is an almost daily part of public health practice. Cancer clusters are perhaps the most common example.

A 1996 survey by the Council of State and Territorial Epidemiologists identified 1900 cancer reports in 41 states. In other a tiny minority of these clusters is a real increase found and a specific cause pinpointed but it's this small group that we cannot afford to miss. One of the most difficult aspects of investigating a cancer cluster or a cluster of birth defects or an apparent upsurge in asthma is determining what the usual or expected occurrence of the disease or condition is. Cancer registries now operational in many states and birth defects registries as discussed by my colleague, can be a valuable resource of such data.

You also asked for state experiences where more data and Federal support would have been useful. Let me instead give you an example of a situation where that support was needed and was there. Late in 1996, the largest indoor pesticide contamination incident ever seen in this country was identified in seven states with Mississippi at its epicenter.

Methylparathion, an agricultural pesticide, had been used illegally indoors to kill insects. But the story begins over a decade earlier when as a young state epidemiologist with more hair and fewer wrinkles, I stood in a Mississippi delta tenant shack where two children had been fatally poisoned with methylparathion, brought indoors to kill pests.

I'll never forget the scene there in that dilapidated house with no screens on the windows and huge cracks between the boards yet where not a single insect flew or crawled. In the back yard, abandoned, set a garbage pail of food contaminated by the spraying rotting in the heat of the Mississippi summer untouched by insects or flies with a hog rooting nearby.

When we faced the 1996 contamination, we knew what methylparathion could do. We'd seen it before. A massive state and Federal effort was mounted. Initially every house with methyl parathion contamination levels above thought to be safe was evacuated and decontaminated. Families were relocated for weeks or months at a time and millions of Federal dollars were spent on decontamination. Then working with state public health workers, CDC's Center for Environmental Health began using a new technique to measure evidence of methylparathion exposure in Europe.

Now able to determine who was actually absorbing methylparathion and who was not, we were able to have many families remain safely in their homes with ongoing biomonitoring and reduce the number of homes requiring full scale decontamination. The result was a savings of roughly \$50 million taxpayer dollars and avoiding enormous disruption to people's lives. Such support from Federal agencies must continue to be available.

Now let me offer some general observations about surveillance systems for chronic disease and environmental exposures. I'd like to single out several existing good resources on which we should draw as we develop this system. The first is the biomonitoring capabilities of CDC's Center for Environmental Health. As illustrated by the example of methylparathion, this technology is of immense value.

By the end of 2002, CDC will be able to test human tissue samples for over 150 chemicals. This needs to be expanded and built upon and in addition, this technology must be transferred to state public health laboratories.

The second is the national health and nutrition examination survey or INHANES (ph). This survey gives us hard data based in large part on actual examination and laboratory tests instead of self-reported data about illness. Expanding the size of the INHANES to allow at

least for regional stratification will provide a powerful tool for exploring the prevalence of chronic diseases, and gauging environmental toxin exposures.

Two other resources are ASTO's affiliate organizations, the Council of State and Territorial Epidemiologists or CSTE and the Association of Public Health Laboratories or APHL. These are our nation's on the ground experts in disease tracking and public health laboratory services. To have a successful chronic disease surveillance system, the expertise and council of these two groups is indispensable.

An obvious resource is our existing system of surveillance that tracks acute infectious diseases. Although monitoring chronic diseases and environmental risks present some unique challenges, the knowledge, experience and technology from decades of infectious disease surveillance can be the foundation of our chronic disease surveillance system. In particular we should draw on our existing national electronic disease surveillance system, NEDSS. Our existing surveillance system for communicable diseases is a nationwide system, but it is in fact a system of systems, a coordinated network of individual state surveillance data collection with subsequent aggregation at the national level. Our chronic disease surveillance system will need to follow this basic model.

Finally, it's not sufficient merely to gather data on chronic disease and toxin exposure. We have to have adequate numbers of trained state and local public health staff, especially trained chronic disease and environmental epidemiologists to analyze data, to interpret those data and to communicate findings to the public and to policy makers. ASTO and the states look forward to working with the Congress, public health organization, advocacy groups and the public to continue this informed work. We thank you for the opportunity to present ASTO's views and I'll be pleased to answer your questions at the appropriate time.

CLINTON: Thank you very much Dr. Thompson. Our next witness is Dr. George Thurston (ph), associate professor of environmental medicine at the New York University Medical School Nelson Institute of Environmental Medicine where he is also the director of the community outreach and education program. Dr. Thurston is an expert on the health effects of air pollution and we were very fortunate to have his expertise at the recent field hearing in New York City on air quality issues at ground zero. Dr. Thurston has just published as a co- author, a very important study on air pollution and human health and I look forward to hearing more about that as well as the need for assistance to track such exposures over the long term. Dr. Thurston.

THURSTON: Thank you Senator Clinton. I would mention that the community outreach and education program that I'm director of is one of the programs that Dr. Olden was talking about that was funded by the National Institute of Environmental Health Sciences, NIEHS.

Today I would like to describe an example of how national health outcome registries can and do provide us with opportunities to investigate the underlying causes of disease and that is a major new NIEHS funded prospective cohort study that could not have been conducted without the nationwide death index registry that we used in this research.

This study was conducted under the direction of Dr. Arden Pope (ph) of Brigham Young University and myself and it provides the most definitive epidemiologic evidence to date that long-term exposures to ambient air pollution in the U.S. are associated with significant excess human mortality, including cardiopulmonary deaths and lung cancer deaths. This new study evaluates the effects of long-term exposure to particulate matter, particles in the air, air pollution on human mortality using death and cause of death data for a large cohort derived from over 100 cities across the U.S. by using a nationwide death certificate data contained in the national death index.

A key implication of this study is that long-term exposures to fine particle pollution are associated with about a 20 percent increase in the public's risk of dying of lung cancer which is roughly comparable to the lung cancer risk from passive smoke that's been estimated for a non-smoker who lives with a smoker. In the study, individual risk factor data for some

500,000 adults collected by the American Cancer Society were linked with air pollution data for metropolitan areas throughout the U.S. Cohort participants were enrolled in 1982 and vital status and cause of death were ascertained through 1998 using the national death index.

After taking into account other known risk factors such as age, sex, race, smoking, education, marital status, body mass index, diet, alcohol consumption, occupational exposures, etceteras, the extent to which air pollution still was associated with increased risk of death was evaluated. In this matter the mortality risks of air pollution exposures to sulfate and PM2.5 fine particulate matter, air pollution, as well as to multiple gaseous air pollutants were estimated.

Particulate matter air pollution is composed of both primary particles such as soot from diesel vehicles as well as secondary particles formed in the atmosphere such as sulfates formed from sulfur dioxide emitted by coal-fired power plants and in the eastern United States, certainly the power plants that were grandfathered under the original Clean Air Act and exempted from the requirements of the Clean Air Act is the singular most important source of these pollutants in the eastern half of the United States and now I did give an exhibit to one of your legislative assistants and I thought maybe it might give you a little idea about the progress that we have made.

If you look at the sample at the left, that's a pollution sample collected on a white filter and over day on sort of a typical day at the beginning of the study, sort of average pollution day.

CLINTON: What year was that?

THURSTON: That was 19, this would have been, the beginning of the study was 1982 and those levels of pollution would have been there. Now the one on your left and our right is a sample that's of a level typical at the end of the study in 1998. So you can see that we've made a lot of progress. As the study notes, we've reduced fine particle pollution by about a third over the last 20 years, but we have still a long way to go before that filter looks closer to white as we would prefer.

Overall this new cohort study confirms and strengthens the previously published evidence indicating that living in an area that experiences higher fine particle air pollution exposures is associated with a significant risk, increasing risk, of both cancer and cardiopulmonary deaths. Another study would not have been practical to conduct without the national death index used to determine the fate of participants over time. Without the national death registry to cause the following up on each of a half million participants considered in this study across more than 100 cities would have onerous and beyond the budget of NIH research grants such as the one that funded this research and that fund much of the basic health research in the U.S.

Thus the study provides clear cut evidence of the large advantages of national registries for determining the underlying causes of chronic disease. In my air pollution research, I face situations where my efforts to investigate the role of environmental factors and diseases have been stymied by the lack of such nationwide information for other health outcomes.

For example, the keeping of centralized hospital admissions records is highly variable across the nation. In New York, we're fortunate that there's a highly comprehensive and accessible statewide planning and research cooperative system that was started under the Carter administration called Sparks and which makes such health information available to researchers, but I must note only after a stringent review process that assures that patient record privacy is maintained. This has proved very useful in my research investigating the nature and extent of air pollution effects on the health of New Yorkers. However, when I have tried to access such information in other states, it has sometimes been entirely unavailable in the form that I needed or available in (inaudible) forms that are not comparable across states minimizing the usefulness of such data to conduct powerful national studies.

When such health information differs in content and quality across the nation, it makes it more difficult or impossible to use for the investigation of the underlying causes of disease. There's clearly a need for a standardization across the states in the way that health data are gathered and reported if we are to have the information to evaluate and then to compare the environmental and other factors that cause ill health, thereby allowing us as a society to make the best choices as to how to avoid disease and improve the public's health.

In conclusion, I feel that health studies like the one that I have conducted make clear there's an important role that the Federal government could play in support of such investigations through the establishment of a national network of health and environmental outcome surveillance data.

The development of guidance and setting of minimum standards for states to use in their data collection and the provision of further tools and resources the state will need to gather and report health and environmental data in a more useful and effective manner. Thank you for this opportunity to testify on this important matter.

CLINTON: Thank you very much Dr. Thurston and thank you for the visual display of what has been accomplished and what we still have to do when it comes to air pollution. Our next witness is Dr. Thomas Burke, professor at the Johns Hopkins University Bloomberg School of Public Health, Department of Health Policy and Management. He has joint appointments in the Department of Environmental Health Sciences and the School of Medicine, Department of Oncology.

Dr. Burke is also the chair of the advisory committee to the National Center for Environmental Health at the Centers for Disease Control and Prevention. His research focuses on environmental epidemiology and the evaluation of community exposures to environmental pollutants. And I thank you Dr. Burke and I just have to notice in passing that you have an appointment in a school named for the new mayor of New York City. So I appreciate doubly your being here. Dr. Burke.

BURKE: Thank you. Well, first I want to tell you what a thrill it is to be here. I've worked my entire career on these issues and I want you to know how deeply the public health community appreciates your attention to this very important aspect of public health which indeed can reshape the future of public health.

I also wanted to mention that I'm not a typical academic. I've spent 13 years of my career both on the environmental regulatory side and as deputy commissioner of health in my native state, New Jersey and in that position was the primary responder to many of the nation's most notorious hazardous sites unfortunately, chemical emergencies and clusters.

And I want you to know that despite the scientific advances you've heard about, we have made very little investment in improving and translating these advances to the public health practitioners out there in the trenches. So today, I want to focus on three aspects of environmental health tracking. One and the primary reason that we're here today I think is to better respond to community concerns about exposure and disease.

Second is bridging that gap, that great divide that exists between our regulatory community and the public health community. Thirdly, I'm also a member of the board of environmental studies at the National Academy of Sciences and we have to grapple with some of the nation's toughest environmental health issues and I think tracking is a very important component of strengthening the scientific basis of our national environmental policies.

As was mentioned by others and the senator asked a question about this, I also want to talk about the training of our future leaders whose support is not there by the way. And then finally as coordinator of the School of Public Health's efforts in response to terrorism, I want to talk about seizing the tremendous opportunity we have now of this unprecedented investment we're seeing in public health in response to terrorism.

First on that community response aspect, truth be told, we know remarkably little about the health of our communities. Except for a very few end points, basic information about the incidence of disease and disability is still unavailable. Unfortunately, our infrastructure, our environmental response has been often to drill wells when people are concerned about a problem, because that's where the funding is. That's not necessarily bad, but the EPA, the regulatory responses, monitoring and well drilling and the people having been there responding to that, really want to know about their health. Tracking is essential to responding to those questions.

Next I want to talk about the great divide. Throughout the '70s and '80s and I worked a lot on crafting some of the early national environmental legislation, being in the hot seat in New Jersey and working on things like Superfund and the Clean Air Act, the Clean Water Act and although the fundamental goal of these laws is protection of public health, these same statutes provide virtually no support for public health agencies. They have failed to support the core functions of environmental health and that core function has helped tracking.

Particularly at the state level, our public health agencies face diminished authorities and grew detached from the environmental decision making and I think public health tracking has the ability and your legislation that you intend to introduce I think can bring together and gap this divide.

Third I want to talk about strengthening the scientific basis for environmental policies. Since the reg reform movement of the 104th Congress, a lot of our environmental regulations, our environmental statutes, have really been questioned. Are they based on sound science? Are these policies really protecting public health? Are the costs justified? We still see this with the current administration. Through my activities with the National Academy of Sciences, I've been directly involved in evaluating the science behind many of these issues.

BURKE: Many of our past policies were based on animal experiments, quite frankly. More increasingly important to our public health efforts is as we heard from the study on air pollution and health is the human factor. As we look at the current examples of mercury and arsenic in air particulates, PCB dredging and clean up of the Hudson, it is essential that we improve this human health data. Tracking will help reduce these uncertainties and is important to our effort to move towards sounder science and a better public health basis for our national environmental policies.

Fourth, you heard the question about training. Frankly the success of environmental tracking, the success of our efforts in environmental health really will depend upon the talents of our future leaders. I would hope that any effort in environmental tracking will help us establish that pipeline for leadership, develop those centers of excellence and support the educational process which is so sorely needed right now.

And then finally, I want to close with what I think is an unprecedented opportunity. I never in my life thought that I would hear such political clamoring for strengthening the public health system. We are hearing that at the highest levels of government. Terrorism brought that home to us. Sound public health system is important to our national security and we're witnessing unprecedented investment. It's the time to rethink how we do that.

I want to urge you to seize this opportunity. Much of what we're doing with terrorism is about environmental health. It's about community health surveillance. It's about understanding exposures and threats. We have this unprecedented opportunity to really provide efficiencies in design and implementation that can result in sustained public health benefits well beyond the pressing immediate needs of terrorism response.

And then finally, I want to talk about public health. Tracking of health in our communities is the cornerstone of effective public health. Our failure to invest in this function has eroded our infrastructure, undermined our laws and credibility and impeded our progress in understanding disease and left us unable to respond to community concerns.

I think legislation to advance environmental health tracking may be the most significant environmental legislation we've ever seen. It truly has the potential to change the practice of public health and it's an important component of the future safeguarding of our country's health. Thanks.

CLINTON: Thank you very much Dr. Burke. We've been joined by my colleague and leader, Senator Reed. We've had just a tremendous set of witnesses and we've learned a lot about what the government is doing which has been ably presented by the first panel and now we're talking more about what additional resources and authority can be given to accomplish the goals that you and I have set out to make the environment and health said in the same sentence because they go together and we need to both track the environment and track the impact on health and then take preventive and curative actions and we're about to hear from our last witness who you will remember from our time (inaudible) and you want to make a statement now?

REED: Senator Clinton, Madame Chairman, I apologize for being late. I wanted to be here. In fact I had every intention on my schedule to be here. But we got into a cat fight on the floor dealing with the energy bill and it's taken all this time to kind of get it worked out to the point we are. So I appreciate very much your (inaudible) when I'm not supposed to be here. But I do of course remember Dr. Hearne and Dr. Falk who were in Fallon (ph) with us and I want -- the main reason I came here today is to applaud you for carrying forward on this. But for you we wouldn't be in the point we are.

I believe very strongly in what we're trying to do to develop this tracking. The people in Fallon (ph) have really suffered. Since we were there we've lost children. Kids have died. This is something that is still a mystery to what is going on there. Fallon is a very small community as Dr. Hearne and Dr. Falk remember and as you know and as a result of your coming, Madame Chairman, we had national attention focused on Fallon that would not have happened.

As a result of that, we've had among other things, I think about \$17 1/2 million from Senator Harkin last year, Senator Harkin and Senator Specter to help us in our initial work that needs to be done on this. We don't have a tracking system to tell us how many other Fallons there are out there but there probably are other Fallons out in America someplace. We don't have a system that allows us to correlate possible connections between a chronic disease like leukemia and pollution and we don't have a Federal rapid response team to help communities like Fallon when it becomes apparent that they have been hit with a cancer cluster of a chronic disease outbreak.

In the case of Fallon, the Centers for Disease Control I think has done an excellent job, helping to investigate possible causes and connections. So too has the Agency for Toxic Substance Control and Disease Registry, (inaudible) small public health department they have what most state departments has just been overwhelmed with this work. But I think the Federal agencies have been involved have done good work, but keep in mind this is the first cancer cluster investigation CDC has conducted since the 1980s.

If we had a nationwide tracking system and a Federal response team, we could focus on resources of the CDC and other Federal agencies. We could perhaps find some answers. More important we could help other communities avoid the anguish that has befallen the people of Fallon, Nevada. And these are the main reasons why you, Senator Clinton and I have every belief that our bill will bring a new national commitment to understanding the role that environment plays in chronic diseases.

It's why we worked hard to have our bill help communities track chronic diseases like childhood leukemia to help them correlate disease with pollution, help them respond to a tragedy like cancer cluster hits. It's interesting today. There's news all over America. A report that's out had a very nice piece on public radio among other places, about how breathing the air in cities like, I don't need to mention any cities, but big cities, causes lung cancer and it's the stuff we can't see that causes the damage.

So environment has an impact on our health. I hope that we can introduce a bill within the next week or so so that our nation can benefit from our experiences that we've had in Fallon and Long Island and other communities around the nation to help establish networks to monitor, track and correlate chronic diseases. States will get grants to do this work as I've indicated. We're very happy with the \$17 1/2 million down payment to help states take the first steps toward building these networks. That sounds like a lot of money but we have 50 states and that \$17 1/2 million is so important we need more.

The bill would require the Federal government to synthesize the information to a nationwide network. What's the benefit of that network to a community like Fallon, Nevada or Long Island, New York. If it existed today, investigators from CDC would be able to identify other places in the nation with higher than normal incidence of childhood leukemia. This would let CDC focus on possible causes. It could help answer some questions about cancer and other chronic diseases, help us find the underlying cause.

This is so important. I can remember work in this committee years ago where we determined that substances they were putting on fruit made people sick and because of the Federal law at the time, it was very, very difficult to get the chemical off the market and one reason we were able to get it off the market is through public relations. We embarrassed them into removing Alar from spring fruits, apples, cherries, principally and now they don't use that anymore. They found something else.

So we need to change the law. Our legislation will allow us to do that, allow us to have our Congress and our country recognize that environment plays an important part in what happens to people's health. Senate Chaffee and I have worked on legislation dealing with breast cancer and the environment. We've introduced that legislation.

So anyway I appreciate very much your work and your leadership, Madame Chairman. I apologize to the members of the committee for coming late and leaving early, but...

CLINTON: Well, I thank you Senator Reed for being able to come. I know how difficult your duties are on the floor. Senator Reed runs the floor of the Senate which is kind of like herding cats. It's a pretty difficult task and he does an absolutely superb job and I know that his commitment on this issue runs very deep. Certainly what's happened to the children in Fallon is something that he just carries with him in his heart every day and I also appreciate greatly his leadership along with Senator Chaffee on the breast cancer and environmental research act which is furthering the work that was started a few years ago principally focused on the Long Island breast cancer project where we began to try to unpack some of the connections between breast cancer and the environment in that particular part of my state.

So Senator Reed, I am just delighted you could be with us and I hope that as we work together going forward on this health tracking legislation, that we'll be able to call on these witnesses who've been so helpful to us and to make sure that what we're recommending really does fit in with what they see as the great need ahead and the air pollution study you mentioned, the co-author of that is Dr. George Thurston there on this panel who has had a chance to tell us about the extraordinary work involving 500,000 participants, 100 cities, looking at the national death index to really make the conclusions about the connection between air pollution and lung cancer, heart disease, other diseases that we're concerned about. So I thank you.

With that I'd go on to Dr. Hearne and I really believe that as you know from Dr. Hearne's testimony in Fallon, Nevada, after hearing what we need the work that she's done for the trust for America's health through the Pew Foundation give us a road map of how we need to be proceeding to come up with solutions to the problems that all of our witnesses are grappling with and that each of us care about. Dr. Hearne.

HEARNE: Thank you Senator Clinton and thank you Senator Reed. And unfortunately Nevada does have a point here on the map that I'll talk about a little bit later. But it's a pleasure to

be here to speak today on the importance of investing in our public health system and particularly our nationwide health tracking network.

My career as a public health professional has been filled with challenges of how to better protect the public's health and I got that lesson in the mid '80s when we desperately needed better health information to, if we were going to more effectively protect communities. This happened when I was investigating a Superfund site which posed little risk to the surrounding neighborhoods according to our limited data on air, soil and water samples.

When I saw the site however, it was a very different story. This hazardous waste site looked more like a moonscape and the water there was just colors not found in nature. The shocking thing was all of a sudden a pack of kids came flying over a dirt pile while we were standing there, splashing into those iridescent puddles and then took off as soon as they saw us.

I was stunned then and I still am now. I can't tell you what the actual exposure of those children had and I certainly don't know what their health outcomes were. We didn't track it then and we don't track now that kind of critical data, things like asthma, birth defects, neurological disorders and that's part of the tragedy here.

You know where we get some of our best analysis on community health today, it's actually from these, push pins. As a sidebar, I had to convince the security guards that these were critical public health tools. But I've been in Toms River, New Jersey and stayed in a kitchen with parents with a sick child and looking at their map, their map with push pins of other cancer cases in the neighborhood and just a few months ago, we had the same story in Wellington, Ohio as you can see a dot there, where there's a town meeting on an MS cluster. We were just doing the same thing last year in Fallon where you saw Senator Reed did, Senator Ensign (ph), this very same scenario and it was parents who put together that story.

The problem is that each and every one of those dots that we have on this map displayed here, these were all stories that were discovered by parents, nurses, doctors. They were not discovered by health officials. These communities are actually asking the very same questions that have emerged in New York City following September 11th. The environmental contaminants that have been released from the wreckage of the World Trade Center may have a lasting health impact on those around the site, including the first responders.

The good news is that Congress did appropriate funds to do health tracking for rescue workers. And we heard also about CDCs currently analyzing blood and urine samples from fire fighters. They're actually looking at the exposures to the potential 110 different pollutants. But we're establishing this all after the fact. That's the problem. We should have this public health capacity in every community for every member. The trust for America's health recently released two reports that highlight the country's ability to track and prevent chronic diseases. Asthma is an epidemic today and what we found is that less than half of the states actually track asthma. Tracking is the key to understanding why we have this substantial rise in asthma and what are the clues as to how we're going to solve this.

We are just released last month a report card on birth defects in the country and unfortunately we found that the majority of states received poor grades on their efforts to track this number one killer in the country. Dr. Harris' program in California scored an A, which was one of eight states to do that. The bad news is, I'm concerned actually if it's going to be able to stay that way because his program just got cut in half.

The September 11th attacks have made the gap in our public health knowledge more dangerous than ever and while Congress is considering how to be better prepared and that's whether it be in our concerns about disease clusters or the unforeseen threats from biological or chemical terrorism, we have to make sure those investments are done in the right way and that it's part of a long-term commitment.

To meet this dual need, we need to modernize our crumbling public health infrastructure and I'm going to make three recommendations here. First and foremost, what we've been talking as a group is about the need for a nationwide health tracking network and that would strengthen our public health systems to be vigilant for all of today's health threats. This includes an early warning system that could detect a terrorist or accidental chemical event. It's the tracking of diseases and monitoring environmental exposures and just as Senator Reed was pointing out, it's about a rapid response and an investigation of clusters or emergency incidents.

Second is while Congress and the administration is taking a look at those long-term investments and I'm very appreciative for that critical \$1 billion investment that was just made, this is an opportunity to make sure that we do it right and that we combine all these efforts so that we build a system on existing platforms and we do it right.

I finally also want to take this opportunity just to make the pitch that we need strong and qualified leadership at the helm of our public health agencies. I'm dismayed that our top Federal agencies do not have their leaders in place. I can go right through that list. It's CDC. It's FDA, NIH, HRSA, even the office of surgeon general. We need leadership now and cannot afford to have this gap go further.

Let me just wrap up saying that Congress has made an important investment in starting up nationwide health tracking. That \$17.5 was a critical starting point, but we need to make this a clear mandate and a reality with the long-term commitment of \$275 million per year. Common sense, it's cost effective; it's long overdue for the families of Fallon or Wellington or Toms River. The rest of this country wants and needs a modern public health system and we can certainly do a lot better than a box of push pins. Thank you.

CLINTON: (inaudible) Thank you very much Dr. Hearne. I just can't overstate the importance of the work that the trust has done. Without the trust, without Pew supporting the trust, I wouldn't be sitting here and I don't think any of us would have moved this issue the way that you've helped to galvanize us.

I wanted to start Dr. Harris by again thanking you for what you've been able to do with the March of Dimes and the California birth defect register, but I just heard Dr. Hearne say that your budget has been cut. Is it state funding that has been cut?

HARRIS: Yes, Senator. The state funding's been cut.

CLINTON: And I assume that that cut in budget will cut back on the services you can provide.

HARRIS: It cuts back on research. I think in our state as in most states, research is looked at as a luxury, not as a necessity. But if we're going to find causes of birth defects, it's absolutely a necessity.

CLINTON: Have you calculated the costs that you were referencing earlier with respect to the 10 percent deaths of the 150,000 children born with birth defects and then the continuing care that so many children require within your state in terms of how much money it will cost to take care of these children compared to how much money you're being given to try to understand what causes it.

HARRIS: Yeah, the cost data that I cited earlier was actually produced by the University of California. They took into account medical care costs, special education costs and actually lost wages and so the cost for cases between \$100 and \$500,000 per case. We looked at the investment in research as literally, it's many thousand times fold we'll spend in terms of treatment than if we spend in terms of research.

CLINTON: Well, I know that you've given us some of that information, but any additional information that we can get into the record to make the case about the cost benefits of this kind of research, it's always important.

HARRIS: I'd be happy to provide you with a publication. It's very easy.

CLINTON: Thank you very much Dr. Harris.

HARRIS: Thank you.

CLINTON: Dr. Thompson, I thank you for your testimony and your very vivid recollection of that day having spent so many years in Arkansas and being very familiar with the delta, I can sort of see it in my mind's eye and your life long commitment to public health is to be commended. As you think about what we're discussing today with the national health tracking system that Senator Reed and I believe we should be implementing in our country, is there any specific advice you can give us to ensure that states participate, that the state governments support this effort, that we provide a combination of incentives as well as some disincentive if necessary to make sure that every state is fully participating.

THOMPSON: Several things come to mind. First, it's going to be important to provide resources and as you may be well aware, many, many states around the country right now are experiencing revenue downturns. They're forcing them to cut back and those cuts aren't always made wisely. They're often made in places where they shouldn't be cut. Resources are people for this issue. In public health it's not hardware. It's not software. It's human beings who carry out these functions. That's going to be critically necessary. Another important consideration I think that's part of the recognition of this panel and also with me is that a system of surveillance for ongoing occurrence is important and we discussed how that would need to be an amalgam of state-based systems which feed into a national system as is the case with our existing system for communicable diseases.

But also that alone won't do the job and such other sampling techniques as the INHANES (ph) and others that can give us far more detailed information about certain subsets of the population are also going to be necessarily a critical part of this and in time I think the issue of how this should be steered -- this is a system. This is a major undertaking. It's going to take us many years to get to the point that we're willing to be satisfied that we've achieved what we want in terms of the system.

It's important to have involvement of the right voices. I mentioned a couple, the Council of State and Territorial Epidemiologists really are the nation's body of experts on how you track all diseases. That group needs to be part of it as does, do other public health groups. I think there's a clear understanding that's going to be the case.

So those are the main things that I would suggest in considering how such a system should be crafted.

CLINTON: What about also the inclusion of the environmental council of the states? I guess ECOS, all of these acronyms are hard to keep up with. Could there be a closer and better working relationship between the health agencies and the environmental agencies, because we've heard how difficult it is sometimes even in the same state for their to be much understanding and cooperation.

THOMPSON: There certainly is a lot of opportunity for better interaction between ECOS on the one hand and organizations like ASTO on the other. Right now most of our interaction depends on the relationships that we've cultivated in our own states. My good friend Charles Chisholm (ph) and I talk on a regular basis. He's our environmental regulator in the state.

In most states, in fact in all but about four states, the environmental regulatory agency and the state's health protection agency are separate. There are a few states that combine them together. There are reasons why this is a good idea and reasons why it's a bad one. But it's important for those groups to interact with each other, talk with other. Many states have good relations. Others don't. I think leadership from national organizations such as ASTO and ECOS in bringing these groups together would be an important part of addressing this issue.

CLINTON: Well, that certainly came home to me at our field hearing in lower Manhattan a few weeks ago. Dr. Thurston was testifying there. We had a very straightforward honest accounting from the gentleman who heads the department of environmental conservation in the city who just said, we don't do air. We do water and sewage and nobody did air it turns out, because everybody kind of assumed that the Federal governments or the EPA did air. And the EPA doesn't do indoor air.

So we saw some very big gaps in cooperation and understanding which I was very proud that everybody just kind of owned up to it and said, you know, we got to do better than we're doing and I'm very grateful that EPA and the city are now working on an indoor air quality task force. But it just illustrates your point that in most cities as well as most states and of course New York City's as big as most of our states, that the environmental authorities and the health authorities don't often interact unless there's some kind of emergency and then even within each of their departments, they often don't have overlapping expertise to be able to match air to air or water to water or whatever it might be. So we've got some work cut out for us. I think your suggestions are very helpful. I appreciate that and I hope we can come back to you and ask for your review of what we're doing and make sure it makes sense and your experience.

Dr. Thurston, I want to again thank you and appreciate greatly your being here. I know you've had a very busy 24 hours with the release of your study in the AMA journal, but it's a tremendous step forward in our understanding and I really hope you'll convey my appreciation to your co-authors and the colleagues who worked on this.

In your testimony, you talked about how you used individual risk factor data collected by the American Cancer Society in combination with air pollution data and the national death index to draw your conclusions. How difficult was it for you and your researchers to acquire and integrate that data using the existing state and Federal systems and databases and do you have any recommendations for us as to how we can from the very beginning of this health tracking effort, try to encourage more compatible and integrated data systems.

THURSTON: Well, it was actually accomplished with a great amount of ease actually because the American Cancer Society already had an infrastructure set up under their cancer prevention study and the network is available. So that -- and it was -- and it's being made available to researchers with obviously great efforts to ensure that privacy of data is maintained which I think is always foremost.

I guess I don't really have any administrative suggestions but I guess that it would be important to keep in mind the possible research uses of the data and to set it up in a way such that researchers, independent researchers, can apply to utilize the data. Some of the states that I've dealt with trying to get hospital admissions data, they'll say sure. We'll sell you the data and it's at exorbitant prices that I could not afford.

I gather that they set these prices because health maintenance organizations and people who have money unlike researchers, use that data in the way that they, I don't know, in the way they decide on how to pay back to recipients and so forth. So they actually have money to help pay for the system and (inaudible) but on the research and they say well these are the prices.

And so I mean I don't -- they do have expenses and they have to cover them to maintain the system. On the other hand I think that if someone's using it for research rather than profit, there should be some difference there. So I guess I would just interject in the interests of science that researchers be kept in mind when setting up these systems.

CLINTON: That's very helpful and I wasn't aware of that so you brought it to our attention. So I thank you for that. Can you comment on how the administration's recent clear skies proposal would impact on the particulate matter pollution issue? Are you aware of it?

THURSTON: I'm not familiar with the details.

CLINTON: One of our challenges is the -- and I think this goes to Dr. Burke's and Dr. Hearne's points is that there has been a steady erosion of a lot of our standards over the past year or so in an effort to erode them even further and to deregulate even further which would make the collection and assessment of such standards even more difficult. So we're kind of -- we've got some conflict here.

I mean some of us are trying to improve and expedite the collection of data and the analysis of it for the use of regulatory and legal purposes and then there are others who want to turn the clock back on the Clean Air Act and on the efforts to keep information slowing about pollutants. So it would make your job much more difficult I guess. We would be, there would be less access and frankly less information collected and certainly fewer consequences owing to that.

THURSTON: Sure. Any information to do the monitoring. I would, just as an aside. I know something that you're interested in, that some of the things that some Canadian researchers can investigate to their population, they have national health care and so that they have a very extensive information about just regular, for example doctors' visits and information about contributing causes so they can do far more investigations of the underlying causes behind disease because they have this comprehensive health care system. And so I think that such a system is very good for a number of reasons and that's just another benefit that these people.

You know, if you look at sort of the pyramid of effects of air pollution, this study's looking at mortality. You have to remember that that's just the tip of the iceberg and there's a much broader part of the pyramid or of the iceberg beneath that point and that there are many more effects if you have one death, you have many more hospital admissions and then you have many, many more emergency room visits and many doctors' visits. But we -- I'm frustrated in trying to figure out for example, doctors' visits.

There's just no record keeping of this in the United States and other countries, England, they've looked at this and found the effects there are much broader than you see just looking at the hospitals and also you see a different clientele. When we look at hospital admissions and I guess I digress a little bit here, but when we look at hospital admissions, you're looking and the hospital visit, you're looking at a specific population that uses the hospital as their physician sort of. But what you're missing is all the people who have let's say health insurance, who got to their physician. And there may be significant effects in that population, but we're not really able to study those people, because we don't have any records of that. So anyway I think, just as an aside, this kind of system -- other nations have much more comprehensive information available for investigations because they have national health care.

CLINTON: Thank you and you know, I would appreciate it perhaps while the record in this hearing is still open for another two weeks, that it would be helpful for you to look at some of the data about power plant pollution and the impact of that. I know you mentioned several different reasons for the particulate matter, diesel, soot and power plant emissions and one of the big debates that we're engaged in here is what to do about power plant pollution, particularly because our big challenge is that in the northeast, in New York for example, the impact of the pollution comes from other states, because that's where the plants are with the wind patterns that bring (ph) emissions and so they're not even necessarily plants in our backyard that we're suffering the increased pollution from.

THURSTON: Yeah, about half of the pollution into New York City is local and about half is transported in and certainly a big chunk, probably the largest single source of that pollution of this uncontrolled power plants in the midwest and if Senator Reed were here, I would have liked to have just pointed out to him that in setting energy policy, I think it's important to remember and I think this study and other studies like it point out that when you set energy policy, you're also setting environmental and health policy.

CLINTON: That's exactly right. Thank you very much Dr. Thurston. Dr. Burke, another issue of great concern to me and you, with your work in New Jersey, you're well aware of the superfund sites. And the administration has just come out with a proposal to relieve polluters from the financial burden of helping to clean up these superfund sites to a great extent and it is especially troubling because we've not really reauthorized the superfund law for a number of years. We have been stuck in this political gridlock as some people don't want to either acknowledge the health impacts and the environmental impacts from superfund toxic sites and don't want to be responsible for cleaning them up.

Now the biggest superfund site in the country is the Hudson River and there was thankfully, just a very good decision from the EPA with respect to dredging and the PCBs that are in the bottom of the river due to long industrial use from General Electric. Do you have any thoughts based both on your experience in a state health agency now at Johns Hopkins and the work you're doing, about how we can number one, better educate the public about what we now do know, what is irrefutable about the environment, the connections with health and certainly the most intense toxic sites that we have to deal with. And number two, any thoughts you've got about the legislation that we're doing that would help on the regulatory side, make the decisions that need to be made with respect to these sites.

BURKE: That's a great question. First of all, as you probably know, superfund had many of its origins in New Jersey in response to the then orphan sites, abandoned landfills and things that we began to discover were devastating communities throughout the state. It's certainly a national issue and continues to be a national issue. Despite the efforts to move forward with brown fields and voluntarily clean up, there still needs to be that backstop there. There still needs to be a superfund to address not only community concerns but the incredible environmental impacts of contaminated aquifers and ongoing environmental degradation at these major sites.

One disappointment, frankly, having been involved in the development of superfund and the discovery and assessment of so many of those early sites, is the fact that we failed to invest in the public health side of that. As I mentioned in my testimony, the response of superfund unfortunately, when there's a public health concern, is to drill wells or to contain things in place, because that's what it's funded to do. And in some ways superfund has missed the mark. The creation of the Agency for Toxic Substances and Disease Registry is perhaps the greatest public health legacy of superfund, but really it was not funded appropriately.

The amount we spend on clean up is so vastly greater than the amount we spend on public health which is after all the reason why we're cleaning up those sites. So I think your proposal to move forward with legislation to strengthen tracking, to strengthen exposure monitoring in those communities, to understand what people are exposed to, would be a great way to approach this issue of environmental health around these sites. We have lived it. We have seen those impacts, those of us who have conducted those investigations and I think you can provide us with a tool to move forward and put it in perspective, because I don't think that necessarily regulation is always the only answer to an environmental problem and sound public health can be a very effective way to responding to the true concerns.

CLINTON: I would love to pick your brain on that at greater length because I think that's a very interesting perspective. You know, this is a real dilemma because certainly the arguments that are interposed against any effort with respect to the environment or health and its relationship to source of economic activity, particularly industrial, manufacturing, utility sites, is that we're going to diminish the economic well being of the people who work in the communities that are served. And I think that was an argument that, if you look at that argument on kind of a scale, you know, you had to weigh more clearly in that direction earlier when we didn't have the information which we could really use to rebut the very legitimate economic concerns that people have.

But if you look not only at this map, but at more detailed maps that I've seen of cancer clusters and disease clusters, I mean it follows the industrialization of American and there's a correlation that's clear. Many other parts of the country are certainly now facing the same kinds of issues that you faced in New Jersey, that we faced in New York, that are faced in Libby, Montana, even.

But at some point, there has to be a shared responsibility. Investors and stock holders and corporate leadership along with the public, has to share the responsibility because now we know what we're doing has environmental and health impacts and it's just a fair question to figure out how to allocate the responsibility and the resources, but I hope we can continue that conversation Dr. Burke.

And finally Dr. Hearne, I thank you so much for your persistence and your absolute determination that we're going to do better by our public health in the future. You know, we did have a great investment in public health, primarily focused on communicable diseases, but we've let it atrophy. We have not paid it the attention it needed. It certainly hasn't been kept infused with the resources commensurate with what we've learned should be the proper province of public health as we've gone through the years. So I hope that this 21st century effort to try to bring us back to speed both in response to bioterrorism and with respect to chronic diseases will be a good base to build on in the future.

Now I know that from Dr. Harris' testimony with respect to birth defects, from the previous panel, we're talking about a lot of state- based asthma and cancer registries. You have recommended that a nationwide network really should replace our at least if not replace, build on and subsume these disparate tracking systems so that we have a national tracking system that is in place that's combined Federal and state and local resources. Can you give us specific suggestions about how to build on and coordinate, rather than replace the good work that's being done by Dr. Thompson and other health officials around the state?

HEARNE: Absolutely. I think it's important to recognize the call for nationwide health track is not about reinventing the wheel. It's truly understanding what we do well out there, where the gaps are and trying to shore those up. And that is particularly important to consider while we're making that investment in increasing our infrastructure for terrorism response, we really have to be smart in looking at the full range of health stress out there and do this in a strategic and collaborative process.

I was struck by Dr. Thurston's research and his comments in recognizing well, he was able to do and get the data for the mortality aspects of his study. Wouldn't it have been great if he could have done his research and also included the full breadth of respiratory problems out there. He can't do that research and it was relatively simple, only a few years, right, for the mortality side. But we should be looking at that full iceberg. We truly are just getting the picture at the top as he noted. But we should know the asthma. We should know respiratory conditions that are disabling. People may not have always died from, but there's many great health threats.

This is about building on those platforms. It's about connecting the dots. We do track infectious disease. It's how we learned, in fact one of the battles of the epidemics in the 1800s. We're doing a kind of OK job there is getting strengthened. But let's take many of the infrastructure and Dr. Thompson was very good in laying out a number of those pieces, be it, I can do the list of acronyms here, public health loves that, but be it NEDS (ph), be it the cancer registries, be it birth defects, this is unfolding, creating that base and doing it right.

It's not rocket science. It's about making the commitment, giving the mandate to CDC to work in partnership with ASTO, the state partners, with communities who have a right to know about this data and putting that infrastructure in place. It's doable; it just has got to be mandated, authorized and empowered to be that kind of commitment to a 21st century public health system.

CLINTON: I thank you. I just have one final question because Dr. Thurston made a very good point about how energy policy is health and environmental policy. Well to a certain extent, I think education policy is too. And one thing that has gotten very limited attention up until now is the relationship between environmental exposures and our staggering increase in children labeled as in special education needs.

And do any of you have any particular comments you want to make on that, because we are going to be reauthorizing the individuals with disabilities education act and it is the single biggest cost in school budgets and again, we could save a lot of money if we had a better idea of how to prevent birth defects, developmental disabilities, the kind of challenges that children face which then require more intervention and yes Dr. Harris.

HARRIS: Basically you're dealing with a huge set of problems. Just in California, the children who are mentally retarded, so I'm talking about IQs under 70. These are severely disabled children. That's 1 percent of all births, that alone. And in general we do not understand the causes of developmental disabilities. We don't understand what environmental links there are if any. So this should be a major focus because you will spend literally tens of billions of dollars on special ed on these kids if you don't understand what causes it. You're exactly right.

CLINTON: Well, I think for all those and many more reasons, particularly the personal pain and anguish that so many individuals and families deal with because of chronic diseases, I thank all of you for being part of this hearing. I am so grateful for your help. We'll leave the record open for two weeks. Any additional thoughts, not only from the panelists, but I know there are many interested audience members. Please submit any additional information to the record for this hearing. Thank you very much.

The hearing's adjourned.

END

"Inside Politics," CNN, 3/7/2002

CROWLEY: "On the Record" this Thursday, New York Senator **Hillary Rodham Clinton**. A little while ago, Mrs. Clinton was on familiar turf at the White House, where she joined the president and other New York lawmakers for a ceremony marking the government's \$20 billion aid package for New York City.

(BEGIN VIDEO CLIP)

SEN. HILLARY **CLINTON** (D), NEW YORK: Last September, when Chuck and I were in the Oval Office, you never promised us a rose garden. But you did promise us \$20 billion. And today we're getting both -- the rose garden and the \$20 billion. And we thank you.

(END VIDEO CLIP)

CROWLEY: Senator **Hillary Rodham Clinton** joins me now from Capitol Hill. A good day for you, Senator Clinton. Is that going to be all of the money New York City needs to get back on its feet?

CLINTON: Well, it was a very good day for New York and America. And all of us are grateful that the president's promise has been put in writing and specifics, and we're looking forward to getting that passed and getting the money flowing.

Obviously we don't yet know all of the costs that it will take to rebuild New York. But this gives us the chance to do the kind of planning, to take care of the needs that have arisen in the last six months, and to get prepared for whatever else we need to do to keep businesses downtown, to keep residents downtown. So that the entire city, state and country will benefit from a revitalized, rebuilt New York.

CROWLEY: I couldn't help but notice your high praise for President Bush's help for New York City, and contrast that with some of the complaints we've been hearing from your fellow Democrats, in particular the majority leader, about the conduct of the war. Do you have any problems with the way this president is conducting the war in Afghanistan?

CLINTON: You know, I think there isn't any doubt that all of us are united behind our president and the men and women in uniform who are serving us so well in Afghanistan and elsewhere. I also think that we are all united behind our belief that, out of the many voices that make up America, we come to a decision through debate and discussion. I think that's all to the good.

Among the values that we are defending in this fight for freedom is the value of being able to express our opinions. And I think that it's a good sign, a very healthy sign, that while we are absolutely united behind our men and women in uniform, it's appropriate and proper for the Congress to discharge its constitutional obligation by asking the kinds of questions that are on everyone's mind.

CROWLEY: Let me move you into pure politics. I understand you're going to be doing a fundraiser for Senator John Kerry of Massachusetts next week. Are you going to be helping a lot of the people who would maybe like to be president in 2004, or is it Senator Kerry that's caught your attention?

CLINTON: You know, I'm going to be helping all of the Democrats. And I've done that. I will continue to do that, because I believe that the Democratic Party and what we're fighting for -- a lot of the positions on domestic issues -- are in the long-term best interests of our country. I'm very pleased that I'll be going to support my colleague from Massachusetts with the other women Democratic senators.

But I am ready and very eager to help all of the Democrats who are running for reelection, running to serve for the first time. And I will continue to do so.

CROWLEY: Senator Clinton, as you know, Robert Ray issued his final report yesterday on the Starr investigation. He said in it that he had enough evidence to charge the former president. I wonder if you think that conclusion was appropriate or true?

CLINTON: Well, I had a statement about that yesterday. It's in the past. I think history and the American people are the final judges of all of that.

CROWLEY: Do you think it was an appropriate conclusion, though?

CLINTON: Well, I'll leave that to others to decide. Right now I'm just working as hard as I can to do the best job possible for preparing New York for the future. And today we got a big boost from the president and the administration, in supporting our request for the money that we need to rebuild New York City.

CROWLEY: One last question. We're coming up on the six-month anniversary of the attacks on the World Trade Center Towers and the Pentagon. What have you learned about New York City residents? What have you learned about the country in those six months?

CLINTON: Well, I have been just reinforced in my rock-bottom belief that this is the greatest nation in the history of the world. And Americans are resilient and courageous, and no one more than New Yorkers. I don't think there is a city anywhere in the world that could have responded as well as New York City did, that would have shown the courage and just the sheer gutsiness that it took to deal with the horrific attack that we suffered on the 11th.

Obviously, we are still trying to pick up the pieces of broken lives and broken buildings, and trying to get people back to work. But the resolve that New Yorkers and Americans have shown, and the support that America has given to New York, is in the best tradition of our country.

And as we fight for freedom and to defend ourselves and the values we believe in, around the world right now, I think it's only fair to stop and reflect how six months ago, there were a lot of New Yorkers who demonstrated, unequivocally, their commitment to each other, to their fellow man and to the overriding goal of freedom. And I just am awed by what I know of and what I have learn about our city, our state and our country.

CROWLEY: Mrs. Clinton, we have about 15 seconds left, I think, until the president comes to the Rose Garden to announce that he's sending an envoy back to the Middle East. You were just in the Middle East. Do you think it's appropriate that the U.S. get involved at this point, while the violence is flaring?

CLINTON: Yes, I do. I'm very pleased that the president has decided to send General Zinni back to the Middle East. I think it's imperative that we do whatever we can to try to bring enough pressure on Yasser Arafat and the Palestinians, to end the violence so that we can try to get back to a discussion of how to implement Tenet- Mitchell, and maybe even pursue the overtures made by the Saudis and others, towards some final resolution of these terrible problems.

CROWLEY: I'm sorry to interrupt you. We are seeing the president now. Thank so you much.

CLINTON: Thank you.

REMARKS BY PRESIDENT BUSH AND OTHERS AT EVENT TO MARK RELEASE OF FEDERAL NEW YORK RELIEF FUNDS, 3/7/2002

OTHER PARTICIPANTS: NEW YORK GOVERNOR GEORGE PATAKI (R); SENATOR CHARLES SCHUMER (D-NY); SENATOR HILLARY RODHAM CLINTON (D-NY); REPRESENTATIVE CHARLES RANGEL (D-NY); NEW YORK MAYOR MICHAEL BLOOMBERG (R)

LOCATION: WHITE HOUSE, ROSE GARDEN

SECTION: WHITE HOUSE BRIEFING

SEN. **CLINTON:** Well, thank you so much, Mr. President, for convening this opportunity for us to be told in specifics how the promise to New York is being kept. And it's especially reassuring to all the New Yorkers who are still concerned about their futures and the future of the city.

You know, last month, in the Budget Committee, when I asked Mitch Daniels about the aid for New York, he responded by saying that the president's commitment was inviolate. Well, Mr. President, last September, when Chuck and I were in the Oval Office, you never promised us a Rose Garden.

PRESIDENT BUSH: (Chuckles.) (Inaudible.)

SEN. **CLINTON:** But you did promise us \$20 billion, and today we're getting both -- the Rose Garden and the \$20 billion.

PRESIDENT BUSH: (Chuckles.) (Inaudible.)

SEN. **CLINTON:** And we thank you. And we look forward to working with you as additional needs arise for our workers and the rebuilding efforts stemming from the attacks.

You know, Mr. President, thanks to Charlie Rangel's efforts, we're hoping to have a joint session of Congress in New York. I was delighted that the speaker threw his support behind the idea. Certainly the leadership of the Senate has also come on board. And perhaps you'll consider coming up and speaking to such a joint session about America's commitment to rebuilding New York and America's commitment to fighting for freedom that you are leading today.

I think all of us remember that famous newspaper headline back in the 1970s, when another president was asked to help New York City.

PRESIDENT BUSH: (Chuckles.)

SEN. **CLINTON:** Well, I don't write newspaper headlines, which should be obvious to everyone -- (laughter) -- but maybe tomorrow's headline will be, "Bush to New York: Help is on the way."

And so, Mr. President, we say thank you. We say thank you for your commitment made to Chuck and me. Thank you for staying with us. Thank you for translating that promise into the specifics that have been presented to us today. And we look forward to continuing to work with you to rebuild New York, so that it is better than ever, provides even more opportunities, symbolizes the American dream, and stands for the freedom that we fight for today. Thank you so much, Mr. President. (Applause.)

PRESIDENT BUSH: Great job.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON MEDICAL PRIVACY REGULATIONS, 4/16/2002

CLINTON: Thank you, Mr. Chairman. I very much appreciate Senator Warner's comments, because I think all of us are looking for the appropriate way to handle this new world of information that is out there and to protect people's right to privacy, especially the most personal and intimate information and details about them.

So, I'm grateful for the recognition that this is probably a moving target to some extent, that we will evolve a response to, because I feel very strongly about the right to privacy and I also understand the need for health related organizations to have access to good information.

But, I must confess, Mr. Allen, I am confused and it may be that this is such a complicated, difficult area that it's hard to follow, but I just wanted to run through a couple of issues.

As I understand what the Administration is proposing, we no longer will require affirmative consent, but instead an acknowledgement that information about privacy rights has been provided. Is that correct?

ALLEN: It's correct in the sense that we do not require that a written consent be given.

CLINTON: Right, right.

ALLEN: It does not preclude an entity from seeking consent as far as --

CLINTON: Well, that's what interesting to me, because as I study what you're proposing, on the one hand, we no longer have an affirmative consent process, but you do permit entities to go ahead and voluntarily seek consent.

ALLEN: And there's a good reason for that, and the reason is this, is that in some cases you may have, for example, a hospital that already has consent --

CLINTON: Right.

ALLEN: -- for treatment --

CLINTON: Right.

ALLEN: -- which is what we call informed consent.

CLINTON: Right.

ALLEN: They may want to go ahead and still have consent for using that information that will be consistent with treatment. And therefore, some entities may choose to seek a written consent from a patient, but what we haven't done, is we've not required everyone to do that.

CLINTON: But, what you have done is when an entity does choose to require consent, you have eliminated many of the consent requirements that would apply to the voluntary requests for consent.

ALLEN: And again, the reason for that is because we're trying to maintain flexibility --

CLINTON: But, you're trying to have it both ways --

ALLEN: I don't think you've let me answer --

CLINTON: (inaudible)

ALLEN: (inaudible)

CLINTON: Mr. Allen, let me finish because I'm trying to --

ALLEN: Because you asked me a question and you let me answer the question.

CLINTON: No, but let me pose the question. You're trying --

ALLEN: I thought you already did.

CLINTON: No, I didn't, Mr. Allen.

ALLEN: Okay. Well, go for it.

CLINTON: Thank you, dear. Now, if you are on the one hand, not requiring consent and then on the other hand, when someone voluntarily pursues consent, you eliminate what the original rule had in for the provisions of consent, seems to me you're going after consent from both ends. Either you offer it or you don't offer it, but when it is voluntarily chosen you undermine it and I think if you look at what you've done to eliminate that in the name of flexibility, you've essentially vicitated (ph) consent, even if someone voluntarily chooses to pursue consent.

ALLEN: And your question is?

CLINTON: Why have you done that?

ALLEN: First of all, I would beg the question that we have not done that. I think what we have done is we have strengthened the process by, one, when we removed mandatory written consent, in terms of the rule, we have now enabled a patient to get care. Plain and simple.

But, at the same time, we have enabled a patient for the very first time, under this rule, to have information about the practices of the provider, to have opportunity to review those practices and engage in a discussion about those practices and seek to restrict the uses of that information.

That is all essential for protecting and providing protections for an individual in terms of how that information is used. That does not happen. That will now happen under this proposed rule that did not happen under the former rule.

Beyond that, we have also provided, again, we have not precluded entities from seeking to get a written consent and that written consent, we're not dictating the confines of that, because, again, it's voluntary. It's something that some providers may seek. Others may not.

But, what we can guarantee is, is that that patient will get information and notice of the practices and procedures of that entity. And that is what we think is essential to the decision making of the patient, but also to the continuity of the care that that patient will receive from that provider.

CLINTON: But, you're also eliminating the requirements that the covered entity inform the patient it's receiving remuneration for making the communication. You're eliminating the much more restrictive definition of marketing so that very often a poor patient will receive information and won't know that there's a financial interest in the entity providing it.

ALLEN: Okay. What we've done is a couple things. Again, Senator, is one, in terms of consent, it only relates to what we've eliminated the consent for is for treatment, payment and operations. Anything beyond that, you must get the patient's consent for the use of that information.

In terms of remuneration, what you're discussing, is how we address the issue of practices that, for example, I cited the example earlier, what we were concerned with is we have circumstances in which providers participate and continuing medical education conferences, those conferences may be paid for by "x" company. What we don't want to have happen is having to have providers having to toil over whether or not they receive immunoration (ph) from a company simply because later on they prescribe a product that they think is in the best interest of their patient.

But, because they had been given an option to participate in this conference, we did not want that to have to be considered as marketing, because that is consistent with that provider's treatment of the individual. So, therefore, we have broadened what we look for in terms of the definition of marketing, but we have limited it to that which is outside of the treatment, payment continuum.

CLINTON: Well, Mr. Allen, I have to confess that I'm very disturbed by some of these changes, because I think the practical effects is to substantially weaken the privacy rule. And I appreciate some of the difficulties that were brought to our attention in a hearing that we held last year, and I certainly believe we should have targeted effective measures for dealing with some of those issues, like the one that the pharmacists raised.

But, you've thrown the baby out with the bath, the best I can tell and opened up a huge loophole for nearly any use of information without any effective check on it, because we won't have any proof that the patient has ever been adequately informed.

And, I think that it's unrealistic to believe that many patients are going to be that well skilled in the nuance of these rules to even know what the questions are that they're supposed to be asking and I think we have an obligation to air on the side of privacy.

And I think that this rule, the recommended changes to the rule really go the opposite direction. So, I will be very interested in following what you're proposing on this, but I think that the witnesses who will be coming to appear before us in the next panel have some very specific issues, and I hope that you and your colleagues will listen very carefully, because I think it would be quite useful to take another stab at trying to figure out how to do what you're trying to do in the name of flexibility without undermining privacy.

ALLEN: Senator, and I take your point very, very seriously. We are here to listen. We are in a comment period and we expect to get many comments. In fact, we expect, probably will get -- particularly after this hearing -- a lot more comments. And we welcome that.

But, I think from the perspective that we have taken, we've tried to approach this from the patient's perspective. While you may think the privacy rights are the most overriding issue, we stepped back and thought that it was far more important that in seeking to maximum an individual's right of privacy, that it was far more important that we ensure that we do nothing, that we do absolutely nothing to impede their access to care.

Because having a right to privacy means very little to a person who is desperately needing care. Whether it be the mother who is care --

CLINTON: You're not going to --

ALLEN: -- for her child --

CLINTON: -- get any argument from any of us about that, Mr. Allen, we are all in favor of care. It's just that we're concerned that in the name of care, profit has a very big role in a lot of the efforts to use information available to health entities and there's got to be a line drawn and you've ended up on one side of the line, I think some of us are more comfortable on the other side of the line, but, that's to be worked out and discussed and I appreciate your willingness to listen to the comments that will be coming to you.

ALLEN: Certainly.

CLINTON: Thank you.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON WOMEN'S HEALTH, 4/25/2002

CLINTON: We're going to go ahead and get started. As many of you probably know, we have a lot of activity occurring today with respect to the energy legislation that we've been dealing with for quite some weeks, and there will be a series of votes starting around 3 o'clock. A number of my colleagues are tied up in that, as well as some other pressing business, and so I'm going to get started because we have a very large interested crowd here.

This is Take Your Daughters to Work Day, so this is a particularly apt subject for a hearing on this day, and it's a real pleasure to welcome all of you.

You know, less than 10 years ago, the Office of Research on Women's Health was created at the National Institutes of Health. I personally think that was one of the earliest and best decisions of the Clinton administration. And at the time, we recognized that women's health

issues needed and deserved more attention. I believe that we've come quite a long way in fulfilling that recognition and awareness, but we still have a lot of work ahead of us.

I want to thank Senators Harkin and Kennedy for calling this hearing today. They clearly recognize, as I do, that our business is unfinished. I also want to thank Senators Snowe, Harkin, and Mikulski for introducing a bill to establish an office on women's health in every major federal health agency.

We have some unfinished business and then some new business. Among the areas of new business, I think we have to pay particular attention to the intersection between women's health and the environment.

I held a hearing on Long Island because we have a higher than national average rate of breast cancer on Long Island. There are other places in our country where that is also the case. We don't know whether there's an environmental link or cause that we're missing, but we're now committed to finding out what the answer might be. I've introduced an environmental health tracking bill, and I also appreciate greatly Senator Chafee's Breast Cancer and Environmental Research Act.

We know that many of our young people face challenges in developing healthy eating and exercise behaviors. Obesity is increasing in our country, and minority women are particularly affected, dying far too early from diabetes and heart disease. We also know that women continue to suffer from eating disorders, constantly striving to be excessively thin, defining their values based on their dress size and too often dying in the process.

Senator Bingaman and I are introducing a bill that would attempt to prevent the serious array of eating and health related problems by supporting research to identify the best ways to help young people, particularly young women, develop healthy eating habits.

Although we tend to focus on diseases that afflict women, we also have to remember the special roles that women play as our caregivers, both in our families and in society. We are particularly concerned about the large number of women who find themselves in the so-called sandwich generation. Twenty-six million Americans care for an adult family member who is ill and disabled. The vast majority of them are women.

Eighteen million children have a condition that places significant demands on their parental caregivers, again mostly caregiving mothers. Four million Americans with mental retardation or a developmental disability live with their families.

These numbers are very high, and I think not well known among the general public. We often in America tend to think of the individual challenges facing our families as not shared necessarily by the larger society of which we are a part.

I know that there are many people who are concerned about the health effects that flow from the emotional and physical demands of caregiving. And Senators Snowe, Mikulski, Breaux, and I will be introducing the Life Span Respite Care Act next week that we hope will begin to both define and deal with these challenges.

So there's a lot that we have to talk about today. We're going to try to get through all of our distinguished witnesses before what is called the vote-o-rama starts. That's where you have votes about every 10 minutes, and you stay right there until they're done.

So I want to begin with the first panel, and we have with us Dr. Eve Slater, the assistant secretary for health at the Department of Health and Human Services. She is responsible for overseeing the Office of Women's Health at HHS.

We also have Dr. James S. Marks, who is also a master in public health. He's the director of the National Center for Chronic Disease Prevention and Health Promotion at the Centers for Disease Control and Prevention. He oversees all CDC chronic disease prevention programs, including the Wise Woman Program.

Welcome to both of you, and thank you for taking on these public responsibilities.

Dr. Slater?

SLATER: Senator Clinton, thank you very, very much. It's truly a pleasure to testify before you on behalf of this committee. I will state that this is actually my very first testimony before the Senate committee, and I'm especially pleased to be testifying today on the topic of women's health. I think it's very appropriate and, again, my pleasure.

My colleagues, Dr. Marks, my team at HHS, and, of course, the secretary are very dedicated to improving women's health and to developing a platform working with this committee in order to make some of our objectives, in fact, as many as we can, achievable.

In 2002, the Department of Health and Human Services will spend almost \$70 billion on women's health. As you are well aware, just three agencies expend nearly 97 percent of these funds, the NIH, HRSA, and the Centers for Medicare and Medicaid Services. They are responsible for over \$61 billion in spending.

Doing the math, we can conclude that the majority of federal expenditures on women's health support medical and public health services and research on diseases and conditions important to women. The remaining 3 percent of this year's budget for women's health is divided among eight other offices and agencies, and those, of course, include the CDC, the Indian Health Service, FDA, and, of course, the Office of Public Health and Science, which I oversee. In 2002, the Office of Public Health and Science has budgeted over \$68 million for women's health.

With strong support from this committee and others in Congress, the Department of Health and Human Services has contributed to a number of important successes in women's health over the past decade. For example, in 2000, nearly 85 percent of women over age 18 received a PAP smear in the previous three years, and 75 percent of women over 50 received a mammogram.

These numbers not only represent the successful achievement of the Healthy People 2000 benchmarks for these preventative services, but, most importantly, they represent saved lives. From 1992 to 1998, the rate of breast cancer mortality declined by an average of almost 2.5 percent each year, and a similar rate of decline was seen for cervical cancer.

SLATER: Programs such as the Breast and Cervical Cancer Early Detection Program at CDC have made important contributions to meeting these goals for low income women across the country. Additionally, the secretary's and CMS's focus on approving Medicaid waivers for treatment services mean that low income women now in 39 states have access to services that they didn't have just two years ago.

Women are not only living longer. They are living more healthy and productive lives in their later years. Importantly, women today are becoming more informed and are appropriately asking for more details about the health issues that affect them.

Our department of women's health and the office of the secretary have encouraged this trend, and with support from this committee, they established the National Women's Health Information Center, the NWHIC, which targets public outreach with communities through neighborhood participation. The NWHIC actually has received in the order of 3,000 hits per month, which is, I think, a very impressive track record for that site.

We all know, and you, especially, know there is still much work to be done. Chronic conditions such as cardiovascular disease and diabetes are among the most prevalent, costly, and preventable of all health problems.

Cardiovascular disease and its manifestations, heart attack, stroke, are the leading cause of death for U.S. women, and deaths alone understate the burden of the illness of cardiovascular disease. Heart disease remains the leading cause of disability among working

adults. Stroke alone accounts for disability among more than one million Americans, and almost six million hospitalizations each year are due to cardiovascular disease.

Diabetes, often linked with obesity, has reached epidemic proportions in this country. It is the fifth leading cause of death among women. More than one out of every 10 women in the United States displays signs of pre-diabetes or diabetes.

According to recent data from the NCEP ATP-3 study, approximately one-quarter of all U.S. women display signs of the metabolic syndrome, which is a condition that predisposes to developing diabetes and cardiovascular disease. That number stands for 35 percent of Hispanic women. And in African-American women, women outnumber men 57 percent in the metabolic syndrome, and among Hispanics, 26 more women than men have signs of this very serious risk prone condition.

Among African-American and Hispanic women in their mid 60s, nearly one out of...

MIKULSKI: Dr. Slater, excuse me. I've just been advised that there are going to be votes throughout the afternoon. Could you summarize your testimony?

SLATER: Absolutely, Senator.

MIKULSKI: And I'm going to ask unanimous consent that this very informative full statement be included in the record.

SLATER: Thank you very much. It's a pleasure to get to our focus. The focus of our department within HHS would be to focus on preventing the truly preventable killers and debilitating diseases that affect women. These are chronic diseases.

We will focus on cardiovascular disease, in particular, stroke, with attention to lowering blood pressure and cholesterol; on cancer, with attention to increased screening and decreased smoking; on diabetes and obesity, with attention to improved diet and exercise; and HIV-AIDS. The conditions were selected, first, because they represented the leading causes of morbidity and mortality in women, but, second, disparities exist between men and women for these diseases, either in treatment, incidence or prevalence, and, finally, they are all preventable.

Additionally, as you are aware, the next surgeon general's report will focus on the topic of osteoporosis, a disease that affects women disproportionately.

The mission of our office, to paraphrase Senator Frist, who published a recent editorial in JAMA, is after establishing goals and research priorities -- and we agree with the senator here -- we must, quote, "move beyond input means and anecdotal evidence to develop new metrics to measure scientific advances and their causal relationship to improved outcomes." The focus is on prevention, on developing metrics to determine what works, and to translate the best of science into improving these particular conditions that affect women.

Thank you very much, Senator, and I'll conclude there.

MIKULSKI: Thank you, Dr. Slater. We could spend all afternoon just with you. And thank you for that excellent testimony.

I'm also going to follow my own encouragement and not make my opening statement and just ask unanimous consent that it be included in the record. I know you'll find (OFF-MIKE) mesmerize themselves. But we'll put me aside.

Dr. Marks, we welcome you with your excellent background in the Center for Chronic Disease and Prevention and Health Promotion from CDC. The CDC has been a very good friend to the women of America.

MARKS: Thank you, Senator.

MIKULSKI: And I am going to ask you to summarize as well, Doctor, and I ask unanimous consent that your full statement be in the record.

MARKS: Thank you very much. I'm pleased to be here, and I do want to thank you and other members of the committee for their long history of support for CDC's work to improve the health of women. I will summarize my remarks.

First, it is well established that the chronic diseases cause most of the deaths among women in this country. So this hearing really could not come at a more opportune time.

Among the CDC programs that deal mostly with the health of women, probably foremost in that is the Breast and Cervical Cancer Early Detection Program, which has now supported over three million screening exams for women with no health insurance, and it detected over 10,000 cancers. We have seen large increases in the screening rates for poor and near-poor women and have begun to see, as you've heard, the mortality from breast cancer decline, as treatment for cancer detected early has become increasingly effective. We hope to see the numbers of deaths, now about 50,000 a year, decline over time.

Heart disease and stroke are often thought of as disease that are more common in men, and, actually, they kill more women than men, nearly 500,000 a year. This led us to develop the Wise Woman Demonstration Program.

The Breast and Cervical Cancer Program -- they identify women who really have no connection to health care in selected states. The Wise Woman Program works with those women to determine if they have high blood pressure, high cholesterol, other risk factors for heart disease and to see that they get screening...

CHAIRWOMEN: Diabetes is in that as well, isn't it?

MARKS: Increasingly, diabetes, and in some states, osteoporosis as well, so that they can get treatment, if necessary, and screening and lifestyle intervention. We have been excited by how the states have responded to this. We know that there are still challenges with it, but it's an important program because it does help women who have no other source of health insurance to get treatment for the other conditions, not just the screening for breast and cervical cancer.

There are unique health risks that women are subject to in pregnancy and delivery, and they have shown little or no progress in the last two decades in death and serious complications. We sponsored a summit on Faith Motherhood last year to bring together researchers, clinicians, and policy makers to raise the visibility and concern about this lack of progress.

The concern has increased because there are large disparities between majority and minority populations. African-American women are three to four times as likely to die as white women during pregnancy. And we've begun a series of research projects in collaboration with state health departments to better understand the causes, the severe complications, and to begin to provide them support for getting local data and looking at emerging issues like postpartum depression.

Dr. Slater has already commented on the twin epidemics of obesity and diabetes. They are more common in women than they've been in the past. They are increasing rapidly, and they're increasing even more rapidly among minority women.

We have, just this past year, with partners like the American Diabetes Association, the state and territorial health offices and others, launched a new initiative for diabetes and women's health to focus attention on the large and unique impact diabetes has in women. In some of the state programs, New York being among those, they have developed networks in rural areas to reduce amputations, to improve the quality of care for people with diabetes. And in the New York project that's based out of Syracuse, they have seen a reduction of about a quarter to a third in amputations and hospitalizations among people with diabetes.

I can only mention a few of the areas where CDC is working with states and communities to develop these responses. And make no mistake, it is important that we deal with the

conditions of chronic illnesses that are either unique to women, more common in women, or are major causes of death and disability and suffering among women in the U.S.

Effective measures exist today to prevent much of the chronic disease burden and curtail the consequences. Another generation of women should not suffer unnecessarily or die when there is so much that we already know that we're not getting out. And we at CDC and others in the department are working to minimize this delay.

Thank you for the opportunity to testify, and I'll be happy to answer questions. I'm sure Dr. Slater will as well.

MIKULSKI: Thank you for that excellent testimony.

Senator Clinton, do you want to go first?

CLINTON: Well, I want to thank both of you, and I think that your testimony is very helpful in raising the visibility of some of the challenges that we confront. I believe that adult onset, Type II diabetes has not been given the attention that it needs, and I was struck by Dr. Slater's statement that it's the fifth leading cause of death among women. I can guarantee you that there aren't many of us who knew that before your testimony.

Dr. Slater, in your written testimony, you also talked about the role of violence in the lives of women. And that, too, is an area where we need to look at it as a health issue, not just as a law enforcement issue and a cultural concern.

Could you give us some information about what you're doing to address domestic violence and the health impact?

SLATER: Yes, it's a pleasure, Senator. Again, because of the limited time, I concluded the presentation.

I believe you're familiar with the Healthy People objectives for the year 2000 and again the year 2010, which is a very important way of tracking our progress in terms of interventions in public health. Twenty-six of the Healthy People 2010 objectives relate in some way, shape, or form to domestic violence.

This administration is very, very committed to this very important problem that you're aware of. It's a problem that, again, appears to disproportionately affect women. The statistics -- you're well aware that one-third of women are murdered by individuals with whom they are quite familiar. Roughly a million women report being stalked per year. So there is really great difficulty.

Health and Human Services has a Violence Against Women Steering Committee, as you know. That committee is chaired within my office and reports to the National Advisory Council on Violence Against Women, which is presidentially mandated and co-chaired by the attorney general and Secretary Thompson.

HRSA is responsible for a large number of domestic violence training programs. They have an 800 number, or perhaps it's an 888 number, at HRSA, and one can log into information regarding their many programs, which primarily are focused on training the health care professionals who need to be more sophisticated in recognizing the signs of domestic violence. I think this is in some ways a reiteration of the issues of childhood abuse, and it was largely learned that training the health care community, the interface, to recognize the signs and symptoms is how we, hopefully, will be able to make the first set of inroads.

Another topic that is sad to recognize for me, but one that we are also taking interest in is the apparent increase in elder abuse. It's subtle. It's often missed. It's often unrecognized. But it's something, again, that unfortunately is rearing its ugly head. It needs to be a concern of all of ours, as we develop programs to deal with that.

There's an intimate partner fact sheet, I believe, that CDC -- Dr. Marks, my colleague, has on his web site, which, again, is a very useful resource for the statistics. And, again, we share your concern about that issue.

CLINTON: Thank you.

U.S. REPRESENTATIVE CHRISTOPHER SMITH (R-NJ) HOLDS HEARING ON ANTI-SEMITIC VIOLENCE IN EUROPE, 5/22/2002

CLINTON: Well, thank you very much.

I apologize for not being able to get here earlier. And I look forward to reading the transcripts of each of your testimonies. And I commend the commission all of its members, from both the House and the Senate, for holding this hearing.

It's unfortunately quite a timely topic. And over the last several months as I'm sure you have detailed, there has been an alarming increase in anti-Semitic violence throughout Europe.

And it is something for which all of us have to not only be vigilant but prepared to take action. And I am hoping that today, as the president heads toward Europe, that will provide an opportunity for him to raise this alarming issue with the European leaders and the European publics that he will have a chance to address.

At the NATO Russia summit in Italy and during visits to France, Germany and Russia, where some of the worst outbreaks of anti-Semitic violence have occurred, the president has the opportunity to give voice to American concerns over this recent increase in anti-Semitism.

I know that we all share a deep concern about the reports we've been receiving from throughout Europe. I've personally spoken with a number of people who have raised those concerns directly with European leaders. And I would urge the president to call on European leaders to acknowledge publicly and without reservation the anti-Semitic character of these attacks as violations of human rights, and further to call upon these nations and governments to utilize the full powers of their law enforcement tools to investigate the crimes and punish the perpetrators.

We know that Europe has, in the last decade or so, unequivocally condemned anti-Semitism and pledged to take effective measures against it and to protect people from anti-Semitic violence in the OSCE Copenhagen concluding document. So I hope that this is followed up by action.

And because of these recent disturbing attacks, I recently introduced a resolution with Senator Gordon Smith, another member of the Helsinki Commission, as well as with Senators Schumer and Hatch, that expresses the sense of the Senate regarding anti-Semitism and religious tolerance in Europe, calling on European governments to use their full power of law enforcement to investigate and punish anti-Semitic violence.

And I hope that we will not only pass this resolution in the Senate and that the president will very directly raise this important matter in Europe, but that we will begin to hear more than a deafening silence from European leaders. And that is a very important role for the Helsinki

Commission to be playing in this, because clearly there can't be anymore terrible potential for the violation of human rights in Europe or elsewhere than the resurgence of anti-Semitic violence, as we have seen.

So, Mr. Chairman, I submit my entire statement for the record.

SMITH: Without objection, Senator, your full statement will be made a part of the record. Thank you.

We now go to some questions on the part of the panelists. And I'd like to ask you, Dr. Samuels, you mentioned a number of things -- very extensive statement. A travel advisory -- extreme caution has been sent out to Jews visiting France. Has the United States State Department, to the best of your knowledge, in any way picked up on this heightened threat to Jews, in this case American Jews, who might travel to France? Have they issued any similar advisory, as far as you know?

SAMUELS: As far as I know, no. I don't think so. I think that what we did was, in a way to take a line of least resistance where some organizations were -- and many individuals calling us regarding the imposition of the boycott -- we felt that a boycott would be ineffective, also the Jewish people have been the victim of boycotts for so long. Therefore, travel advisory was the minimum that we could do.

This is not only a warning to Jewish visitors to France and Belgium, but also to Americans. And I think that it would be correct on the part of this committee, perhaps, to raise with the State Department the possibility that it should be broadened.

I would like to draw from that, the other proposal that you mentioned, Congressman, and that is, the heightened role for the OSCE at the Berlin meeting. I think that this is important because of the knock-on effect on East European countries, which are not members of the EU, but are candidates in the enlargement process. Through the OSCE there is a very important means to influence those countries and thereby have a feedback effect also on the West European members of the OSCE.

So I would endorse that in particular. And I think that not only in Berlin, but the fact that the presidency of the EU moves to Copenhagen, I think there should be some emphasis there, too.

SMITH: I appreciate that.

We plan on drafting language. And I would hope to offer it as an amendment or perhaps even a free-standing resolution in Berlin. And I know that we'll have the full support of our delegation. It'll require other delegations to co-sponsor to make it an order, and I think we can get that as well. But it certainly will be a timely intervention on the part of our delegation to very aggressively assert our concern about this alarming, rising tide of anti-Semitism in Europe.

CARDIN: Mr. Chairman, would you yield?

SMITH: Yes. I'd be happy to yield.

CARDIN: I think that we should really work that as a free-standing resolution. I think the point that Mr. Jacobson made that this is not business as usual is important for us to underscore in Berlin. So I would just encourage our staff now to explore other delegations that may want to join us as a free-standing resolution.

Thank you, Mr. Chairman.

VOINOVICH: Mr. Chairman, I'd like to comment also that we ought to get hold of the executive director of the OSCE and share with him our real concern about this growing anti-Semitism and ask if possibly we could have a special session of the OSCE that deals with this issue.

I mean, if we go with just a resolution, it may just be one of several things. I think that we ought to say it should be the most prominent thing that we discuss at this meeting in Berlin. And I'd be glad to join with you and others with a letter to him, urging him to come up with some ideas on how we could accomplish that.

SMITH: I appreciate the gentleman's -- again, the main reason why we wanted to have this hearing, one, was to get expert voices who know this issue intimately and have lived and fought for human rights so valiantly to come forward with your best recommendations, your best insight as to the state of affairs as of right now, and also where you think we're going in the future.

LEVIN: Mr. Chairman, can I just add a recommendation...

SMITH: Sure.

LEVIN: ... based upon our experience over the last 20 years in different OSCE meetings? And that would be to work with the NGO community in advance of the Berlin meeting and to find out which NGOs will be represented there and to enlist their support in meeting with the various delegations. It's something we did very successfully when confronting the Soviet Union on issues related to the release of refuseniks and anti-Semitism.

JACOBSON: I just want to add my support. I think it's terribly important that a separate session be devoted to this so it's not just thrown into -- because I think that will really highlight that it's not business as usual. If it's thrown into other discussions, then it'll just get lost. And I think the importance of it is that some kind of session be separate on the subject of anti-Semitism.

VOINOVICH: I think that idea of NGOs is a good one also. When we were in St. Petersburg, we -- you recall, Mr. Chairman, we met with the NGOs there. And it's one way of getting some real information what's really going on.

CARDIN: Mr. Chairman, if you may yield just one more second, if I might just make a very brief point, another tool we have available are our bilateral meetings. We do meet with others delegations during our visits on the Parliamentary Assembly. And I would just suggest it may be appropriate for us to meet with the French delegation.

SMITH: As we have. And I think it's a very good recommendation because the drift, obviously, is very alarming. The numbers cited by Dr. Samuels were devastating.

Let me just say this so it's clearly on the record. The Berlin meeting's focus is terrorism. Supplemental at this point would get the issue prominent front and center. Back in St. Petersburg when we had that meeting, I actually offered a supplemental on trafficking in women. And we were met with disbelief and people saying, "What are you talking about? That sounds like, you know, hyperbole and exaggeration." And obviously, it was not. But that began a dialogue with those delegations.

I think what we ought to be doing, and taking up Mr. Voinovich's recommendation, is to be looking for perhaps a special session of our Parliamentary Assembly, whether it be a several-day meeting or a weekend, to focus on this terrible and alarming trend of anti-Semitism. And do it there -- you know, really assert it very aggressively in Berlin and say, "But this isn't the end of it." Because it's too late, really, to change the main focus of this upcoming meeting.

CARDIN: Mr. Chairman, if you would just yield on that point, I would just suggest that I think the rise of anti-Semitism is directly related to terrorism. And I think we're going to find that we'll have an opportunity during this meeting to underscore our alarm in the context of international terrorism as to what's happening with the rise of anti-Semitism.

I think Senator Voinovich's point about a separate opportunity is important also. But I think we need to do both. We need to take advantage of the Berlin meeting as well as stress the need for a separate...

SMITH: Frankly, I think we're saying the exact same thing. And again, that's why this hearing is being held today, to launch that renewed effort.

We've had hearings before -- a matter fact, we called it the "Rising Tide of Anti-Semitism", particularly as it related to the break up of the Soviet Union. And what we saw was an alarming trend there.

But now we're seeing it in Western Europe with a virulence that portends very, very terrible things, not to mention the victims that are being created now.

Yes, Dr. Samuels?

SAMUELS: It may be useful as a point of information for Congressman Cardin, the Weisenthal Center wrote, prior to the presidential elections in Paris, to every member of the senate and the national assembly asking them their positions on the anti-Semitism wave in France and what they might be able to do in their respective parliamentary committees. We have since then, and certainly just before the first round of the parliamentary elections in a couple of weeks, received over 50 responses.

Now, many of those parliamentarians who expressed an interest in responding to us are members of the parliamentary assembly who will be going to the Berlin meeting. I would be happy to share those names with you so that you could contact them directly.

SMITH: That would be very, very helpful, Doctor.

VOINOVICH: Mr. Chairman?

CLINTON: Mr. Chairman? Go ahead.

VOINOVICH: I'm going to have to leave in about five minutes. But I am going to go to Bulgaria to the NATO meeting. And I have the information that was prepared about the various countries.

But I think, Mr. Levin, you prepared that.

I would -- if you have any really outrageous situation in one of those countries, or several, I'd like you to bring them to my attention, get it to my office, because I will be there talking to -- and they all want to come in. And just as we did when we were in Rumania, we talked to them. The problem there was church property and a lot of other things. It seems to me that it would be a wonderful opportunity for me to must confront them with it and say, "Hey, you're interested in coming into NATO and you know, what are you going to do between now and when it's considered in Prague to remedy the situation that has arisen in your country?"

So I really would welcome you or anyone else to provide that with me, because this is going to be a great opportunity to bring it up to them.

(UNKNOWN): Senator, we can certainly do that.

BAKER: This is with specific reference to Bulgaria...

VOINOVICH: No, it would be...

BAKER: ... or to all of the NATO...

VOINOVICH: We've got -- I mean, we've got the Balts. And I notice there's some stuff in Lithuania where something's happening there in one of the examples here. But it's the three Balts, it's Slovakia, Slovenia, it's Bulgaria, it's Rumania. I mean, those are the ones really that...

BAKER: Yes in this document, we had detailed the situation in each of those countries.

VOINOVICH: You're the one that prepared this thing.

BAKER: Yes. And I'm happy to be in touch with your office to give your staff any updates since the end of March when this was prepared.

VOINOVICH: I'll have Joanie (ph) contact you today because we're going to be leaving on Friday, so...

BAKER: Then I'll be happy to do it this afternoon then, sure.

VOINOVICH: OK, thank you.

CLINTON: Mr. Chairman, too, I wanted to follow up on the NGO mention, because it would be very helpful to get ahead of time the names of NGOs that might be receptive. Because we should lay the groundwork for that. Because the NGOs play a major role, not only within the Helsinki Commission's ongoing processes, but within the media of various of these countries. And we need to know who might speak up and be, you know, very supportive of our concerns.

So if you could help us with that too, that would be...

(UNKNOWN): Absolutely.

SMITH: Let me just ask a couple of additional questions and then go to my colleagues for any questions they might have.

The European integration and the, obviously, the one Europe, does that raise serious concerns about this becoming more manifest, this whole anti-Semitism, rather than pockmarked throughout the continent? Or does it offer an opportunity perhaps of having a stronger, more centralized reaction to try to end it, that is to say, anti-Semitism?

BAKER: Can I speak to that, Congressman?

I think it offers clear possibilities, but it poses some serious problems as well. As I mentioned, I think one of the elements that various of the nationalist populist forces in Europe seem to have in common is playing on public disillusionment and trouble with regard to European integration and enlargement.

Frankly, minorities in Europe, Jews being one of them, feel I think a more easy opportunity to be patriotic Europeans, to fit under an umbrella in which you have a diverse group of nations, minorities, ethnic and religious communities. The extent to which that works and that umbrella is increased and strengthened, I think it makes them all feel more secure. So if enlargement and integration happens smoothly, it will be positive.

But we how even slight tremors of concern in the common economic, common currency and so on in Europe has created backlash in various member states that has bolstered these nationalist forces, then that's a source of trouble. So the extent to which you are in discussion with your European counterparts and can really emphasize the seriousness here, and as Senator Clinton said, the silence that we seem to hear, the fact that many people in Europe, European leaders simply do not take this as a serious problem, will really be critical.

JACOBSON: I would just add that it seems to me that you have the situation where Europe is moving together, and yet there are two forces at work that really challenge the identity of individual Europeans. On the one hand, you have the question, "Am I still a Frenchman or Italian when there is a European Union? What does that mean?" And at the very same time, you have an issue of multi- culturalism and diversity.

Whenever we've gone over there with our programs, we went to Germany, for example, the early '90s after neo-Nazi skinhead attacks. And we said to the Germans, "You have a great democracy in Germany, but not much of a sense of a pluralistic democracy; what does it mean to be a German?"

So at this point when there are all kinds of immigrant groups coming into all these countries, you have the average European, kind of, feeling that they're a little bit under attack in terms of identity on two levels. One in terms of the European Union, and secondly, in terms of they're being told that to be a good Frenchman doesn't mean only that you have to be of French blood, that there have to be others integrated. Those are major challenges.

And I think what all of us are saying is that's where the leadership role really becomes critical. The leadership role and the education programs at the same time.

Because it's not going to be a smooth path. We see the reactions of both levels. But I think if there is a -- what happened in France in the second round of the election was that basically people began to take responsibility. And I think that's what all the role that we can play as well.

LEVIN: Mr. Chairman, we've seen this happening in the successor states of the Soviet Union already, particularly in Russia and Ukraine, where you have this push and pull where they want to be integrated into the larger continent but, at the same time, maintain their distinct identity.

As far as dealing with the issue of the right wing, people such as David Duke from the United States, but also European right-wing personalities have tried, in some cases successfully, to infiltrate into Russian society and spread their message, and that's -- not to repeat everything that's just been said, but that's where, as I said earlier, the bully pulpit becomes important; where leadership -- this is where leadership is needed and is necessary.

ARRIAGA: If I might just add as well, not only leadership in education -- I agree with you all on the panel -- but also implementation of local laws, including acknowledgement of hate-based crimes and actual prosecution of those crimes.

SMITH: If you could hold that thought just for a minute, Senator Clinton does have to leave.

CLINTON: I am so sorry. We have a vote. I just looked up there. I was so interested in what all of you were saying.

It would be extremely useful as well -- and this probably goes beyond the confines of the jurisdiction of this committee, Mr. Chairman -- but I am concerned that there are -- it's not just the leadership that's not saying anything. There are no voices. There are, you know, maybe a few here or there, but by and large, it is an indifference that is very frightening, because it provides, kind of, fertile ground for what we're seeing and worried about.

And perhaps you could also give us some suggestions about how we could reach out, even before Berlin, to various people, to see whether we could get more public reaction, more words of concern coming from elected officials, opinion leaders, et cetera -- academics, whomever. Because I worry that this is obviously rooted in both very ancient hatreds and biases, and some new phenomena of the modern world. And then there are items in the news that seem to fuel it, and kick it off.

So we need a multilayered strategy, if you will. But I would like to know whether there are people we could individually reach out to, to try to be more encouraging of their taking action now -- of saying something now.

Yes, Dr. Samuels?

SAMUELS: Yes, this is exactly the point I wish to raise, Senator Clinton. I think that integration is a problem from one point of view, as we've just heard, but it can also be part of the solution.

I was elected to the board of something called ENAR, European Network Against Racism. It is an umbrella for 660 anti-racist organizations. This is a board of 32 members, two from each of the 15 countries of the European Union and two from the pan-European organizations. In fact, I was elected by the Muslims of Europe, quite ironically, three years ago, and re-elected last August, because we shared common problems: of the extreme right, of fascism in football, of hate on the Internet, skinheads, et cetera.

Today, those same people, perhaps more delicately, tell us that we share another problem, and that is fundamentalist Islam, which is also extremely threatening to their situation. And I think that this gives us the possibility to reach out.

The Wiesenthal Center has attempted to propose some programs, some projects, of common ground. For example, we started, multilaterally with the Council of Europe, and also bilaterally with some European countries, to propose that political demonstrations that march by houses of worship, be they churches or mosques or synagogues or temples, be outlawed unless with the prior agreement of the administration of that house of worship. We have found that many NGOs are interested in this proposal, of all faiths. And I think that that's one example.

Rabbi Cooper (ph) today brought the latest CD-ROM of the Wiesenthal Center on digital hate, "Digital Hate 2002," which shows that hate is totally indivisible. It's not just against Jews, it's against Christians and women and Muslims, et cetera. It is also an introduction to terrorist sites, and not only hate sites.

And this also is an issue of common ground. And I think that using these types of instruments, we are able to rebuild some of the alliances with NGOs that was ravaged at the Durban meeting, in order to try to raise a consciousness that we're dealing on the same page on these issues.

SMITH: We have another vote, regrettably, on the House floor, and Mr. Cardin and I will have to leave. But I'd like to just ask, and then ask him perhaps to ask a few additional questions as well. The recommendation to convene a real conference on anti-Semitism, I think, is a good one. Not only should we pursue that track with the OSCE Parliamentary Assembly, which is obviously separate from the OSCE itself, although we talk to each other within the OSCE confines itself -- that's something, I think, we should recommend following up on your recommendations, Mr. Jacobson, to the president, to Colin Powell, to Condoleezza Rice and the rest of the foreign policy team as something they need to use as an action item, especially in light of the hate fest that occurred in Durban.

SMITH: You know, as you pointed out, the violence of silence of traditional human rights groups not being involved the way we traditionally know they should have been and could have been and have been. And so, I think your point is very well taken, especially given that Europe should lead on this, as we should lead on this, especially given the Holocaust remembrance, that never again.

So I do have one additional question, you might want to comment on that very quickly. UNESCO; there was a vote in the House of Representatives recently for the United States to rejoin UNESCO. I, frankly, voted against it. I think the U.N. has its good organizations, like UNHCR and UNICEF and the Security Council has played a key role on some very important things in the past, and there are other organizations, as well that do a good job. But UNESCO traditionally has not, at least in my view. Your view, whether or not we should join it?

And then, Ben, you might want to throw out some questions right now, just so they can...

CARDIN: I want to hear the answer on UNESCO, and I want to give you as much time as you need.

I just really wanted to thank the panel. I thought this was extremely helpful.

And, Dr. Samuels, we are going to call upon you to get information to help us. And your organization has been extremely reliable in opening up that black box. So we want to get as much information as possible.

And I just want to compliment all five of you on specific recommendations. I think the codification of hate crimes is something we need to proceed on. I believe education is key. We've seen in some of these countries, some of these states, that they've actually been counterproductive in their educational programs. I think having a positive aspect to the education support of the states would be helpful here. And I think some of the other recommendations about the government officials being more open and visible in their consistent efforts against anti-Semitism is important.

But I want to give you as much time as possible to answer the UNESCO question.

SAMUELS: I'd like to congratulate Congressman Smith on his vote. I think that the United States -- and I can document this -- has much more influence from outside UNESCO than from within. And although the previous director general did make certain steps and gestures in order to try to show that UNESCO had changed, I think the present administration shows that it has not in any way.

The organization has been hijacked. In fact, one of the best committees of UNESCO, which is the World Heritage Committee, only last week came out with a biased attack on Israel on the question of Israel being a criminal, practicing crimes against cultural heritage, which is quite out of place. And I only hope that when the World Heritage Committee meets in Zurich, it will reverse that. Perhaps it will, due to pressure from the United States from without.

SMITH: Thank you.

Any final comments before we conclude?

Again, I think Mr. Cardin summarized it very well. Your recommendations will not only be read, they will be studied, analyzed and acted upon. This is, I think, a crucial crossroads point and we need to lead, and the president needs to lead. And President Bush certainly has a tremendous amount of following and credibility, even in Europe, and even though they like not to acknowledge that.

So I would hope that, going forward, you will continue to provide us with the best possible insights so we can be more effective on behalf of those who might otherwise.

Thank you so much for being here.

The hearing's adjourned.

END

U.S. SENATOR JAMES JEFFORDS (I-VT) HOLDS HEARING ON SECURITY AT NUCLEAR FACILITIES, 6/5/2002

CLINTON: Thank you, Mr. Chairman. I thank you and Senator Smith for holding this important hearing. Certainly, I agree with the statements of both Senators Smith and Inhofe that as we try to educate ourselves and more importantly, educate the public, we do so with full awareness of the sensitivity of some of this information.

I am also very pleased that Congressman Markey is here. I hope to have a chance to hear from him in just a few minutes. I would also like to thank Dr. Irwin Redlener, the president of the Children's Hospital at Montefiore in the Bronx and president of the Children's Health Fund for being with us today.

Both Dr. Redlener and I live in Westchester County. It's one of the most beautiful places in the country and it is also a place where we have nuclear power plants. So, unlike some on the committee, I live about 15 to 20 minutes from one of our 104 nuclear power plants.

This is the principle subject that the people I live near in my town and in neighboring communities talk to me about every time, whether I'm going to the store, stopping to get a cup of coffee or just taking a walk in the neighborhood.

And I think it is understandable, because the unthinkable did happen on September 11 and therefore, it is incumbent upon us as unfortunate an exercise as it may be, to think like our adversaries -- to imagine the unimaginable and to work together with the appropriate officials in our government to be as sure as one can be in such human endeavors that we have thought every unthinkable thought, we have taken every possible preventive measure, because there is no guarantee in life of anything, but unless we've done all that we believe we should do to protect ourselves, then I think we are going to be found not to have fulfilled our responsibility.

Certainly in my specific situation we have more people, about 20 million, in the Catchman (ph) area for Indian Point. It is in the most populated area of any nuclear power plant of our country. We have other nuclear power plants in much less populated areas. I visited the nuclear power plants at Indian Point and at Oswego.

Certainly, Oswego, which is in a much less populated area doesn't pose the high level of public concern or, frankly, as inviting a target as Indian Point does. Nowhere in our country do we have the same concentration of population and clearly, those who sought to inflict the most public, high visibility damage on our nation chose our most populated city.

It's a terrible thing to contemplate, but I think we have to. I don't see any alternative. And instead of being paralyzed by fear or being divided on different points of view or ideologies, we all have to work together. I think that what this committee is attempting to do.

We have to close whatever loopholes exist legislatively or regulatorily. We have to strengthen any weak links that we find and we have to be unafraid to ask the hard questions. This is not pointing fingers or placing blame on anyone. We didn't have to think like this before September 11. Now, we have to and therefore it is imperative that we know what steps have been taken, are being taken to protect our nuclear power plants.

You know, according to news reports -- not in a classified briefing, but on the front pages of newspapers around America, just last month, the NRC again put the nation's nuclear power plants on a heightened state of alert because of information gained by our intelligence community.

Well, you can imagine what that does to mothers and fathers in Westchester County and throughout America who have particular concerns because of their proximity to our nuclear power plants.

Now, since 9/11, the federal government, state and local government and nuclear power plant operators and owners have taken action -- and I applaud those actions -- to improve security.

But we have the responsibility to ask, "Has enough been done"? This is what we are going to try to find out in part today. The NRC has previously told this committee that it has the statutory tools necessary to ensure that any security deficiencies are corrected in a timely fashion. Yet, at the same time, I know that the NRC is strongly supporting S. 1586, which I think has a lot of very good provisions in it.

As we sit here today, we know that the NRC still has not yet revised its rules regarding what kinds of threats nuclear plants must protect themselves against. And the NRC has not completed vulnerability assessments on individual plants. Moreover, it is my understanding that the NRC still has not determined, or at least has not told us either in a classified briefing or in public, what the real threats posed by modern, fully loaded airlines cause to a reactor containment vessel.

Now, that decision, of course, could drive a series of other decisions about how to best safeguard these plants, such as whether and when to impose no fly zones, whether or when to have Naval or Coast Guard support.

Now, we know that the NRC is working on these issues and I do appreciate everything that the commission has been doing. But I think it is important that we hear from other well informed voices as we will at this hearing, in public, people who have experience in the nuclear industry, who have expertise with nuclear energy so that we can make a judgment about whether or not those tools in that tool box for security at our nuclear power plants are sufficient.

That's why I did join with Senators Reid, Jeffords and Lieberman in introducing legislation to start a dialogue, to begin a discussion. I think that part of what we should be working on in this committee is how we determine what of the many additional steps that could be taken would appropriately be taken by national legislation.

We need to guarantee seamless security and we need to do it as quickly as possible. And any legislation should ensure that new higher standards are met through revisions to the design basis threat.

We have to be more realistic about this. You can't give notice ahead of time to the guards of these plants so they can put on their flak jackets, get their weapons out of the lockers in which they are kept, to look as though they are ready to take on whatever possible attack may occur.

This has to be a much more well thought out and constant assessment of the security at each and every one of our facilities. Exercises have to be conducted regularly and I believe, as someone who certainly lives within a rather immediate proximity to a plant, that we've got to have more realistic evacuation plans.

CLINTON: If you come up to Indian Point, which is in a beautiful part of Westchester County, you'll be on two lane roads for most of that trip. You're living in a highly populated area. The idea that you could evacuate people -- the idea that people are supposed to leave the evacuation would even be able to get where they are needed strikes most of us as quite implausible.

Now, we are stockpiling potassium iodide in New York. The bill that I worked on with Senator Reid and others requires that stockpiling be required and that the pills be released to the public on a regular basis.

Now, finally, I also think, since the NRC does have jurisdiction, that in addition to exploring the security of power plants, we have to raise the issue of so-called "dirty bombs". We have to know more and protect more against the use of radiological dispersal devices. That has to be on the agenda as well as our concern about nuclear power plants since the sources of such material are obviously accessible, easily so, in many parts of every community in our country.

So, Mr. Chairman, I thank you for holding this hearing and I look forward to working with you and all of our colleagues to come up with answers to some of these questions.

JEFFORDS: Thank you.

Senator Voinovich?

VOINOVICH: Thank you, Mr. Chairman.

I agree that the topic of today's hearing is very important, so important that I believe our time could be best spent in a closed hearing in which the members of our committee can discuss the security issues openly with the witnesses without fear of revealing information that could put those who work in the facilities and the public at risk. I agree with the sentiments expressed by Senator Smith and Senator Inhofe.

Considering the importance of this topic, we need to hear all relevant information with regard to security, including future needs, if we're to pass legislation that will enhance the security of our nuclear energy infrastructure.

I believe it is impossible to get all of the information we need to determine if legislation is needed through public hearings. Last August I visited Davis Besse nuclear facility in Oak Harbor, Ohio for the purpose of reviewing the operation of the plant.

I was extremely impressed with the security measures in place to gain entrance and access to that facility. Just this last April, I had the opportunity to spend a half day at the Perry nuclear power plant in Perry, Ohio, which, by the way, is a 25 minute drive from my home, to specifically review their security systems. I wanted to see first hand just what was happening at that facility.

In fact, the entire visit was dedicated to security. I received a classified security briefing at the facility, which I highly recommend to all of my colleagues. In addition, I participated in personnel and vehicle searches and I reviewed the external security systems, including meeting with the Coast Guard, which patrols Lake Erie off the coast of the Perry facility.

My tour of the security operations confirmed for me that every security measure is being taken to protect our energy supply from terrorist attack and the members of the surrounding community and they should be very comfortable with the level of security that protects them and the facility.

If I were a terrorist, the last place I would try to take over in an attack would be a nuclear power plant. I know the security reviews are currently being conducted at nuclear facilities across the country, but I hope they are all as secure as our Ohio facilities.

I think it is important that we don't throw the baby out with the bath water, trying to change things legislatively. In my opinion, the private sector is getting the job done and we do not have to federalize security understanding that any system can be improved and that's the responsibility of the nuclear regulatory commission, and there may be other things that are being suggested by members of this committee that will enhance those security operations in our facilities because of things that have happened -- because of 9/11.

Recently, I visited the EU headquarters at The Hague and Brussels. I was told and warned the security there was the best in the world. I tell you, I was impressed with the security required to gain entrance to that facility. But it didn't compare -- it didn't compare with the security at Perry and Davis nuclear.

Because this is an open hearing and though I think it would be helpful, I can't go into the details about how they determined who gets in, where they go and how they can get access. It's incredible.

I also visited the Lima Tank Plant in Ohio where they make the M1A1 Abrams tank. Now, that's another place that the federal government is securing. I met with the people from the Defense Department that are involved in security. I reviewed what they are doing there. I said to them, "If you really want to secure this place, get in a car and go up to Perry nuclear and you'll find out how to really secure a facility". That's the way I felt about that compared to what I saw at this federal facility that is something that we should be very concerned about.

Before we move forward with any new requirements, I think it is imperative that members of this committee spend time carefully reviewing the existing security controls at our nation's nuclear facilities. I believe the preparation for each and every committee member should be to include some closed hearings, or at least one, and classified briefings as well as site visits to the facilities in order to see the security measures in practice. Get out there and get into these places and see what they are doing.

I look forward to working with my colleagues on this important issue and to the testimony from today's witnesses. Mr. Chairman, I really hope that the legislation that's been introduced and this hearing is really aimed at determining the security at our facilities and not an effort by those who are opposed to nuclear power to discredit nuclear power's contribution to our nation's energy needs.

Nuclear power plays a vital role in maintaining our energy independence in providing a clean energy source.

I look forward to the witnesses' testimony. Thank you, Mr. Chairman.

JEFFORDS: Thank you, Senator.

Senator Boxer?

BOXER: Thank you very much, Mr. Chairman.

I first want to address the point that this is not a hearing about the future of nuclear power. Of course it isn't. That decision is made by the marketplace and the people who live near the plants and there hasn't been a new plant in 20 years and maybe there will be a change on that.

People will decide that in a democracy like ours. That's good. For myself, I have no bias except to say when the private insurers are ready to insure these plants, that will give me much more confidence. Right now, it is the taxpayers that have to pick up the tab.

So, I think those are important points. I also want to address the issue of closed hearings versus open hearings. I just must say that the comments that have been reiterated by a few of my friends on the other side, I find to be disrespectful of our chairman. That's my own personal view.

And that saddens me, because this is a man who really understands what belongs in a closed hearing. He had one and all my colleagues who said they want one never went. And he knows what belongs in an open hearing. I would remind everyone that there were lots of closed briefings before 9/11 and we had a disaster.

So, in and of itself, what is important is, what we discuss. And I want to send a signal to the would be terrorists in this country in cells around this country and wherever they are that we are doing everything we can to stop them. I think Senator Voinovich is right. There are some plants that are moving way ahead on this.

But there may be some problems and the reason I think an open hearing, Mr. Chairman, is so important, I commend you for your leadership and I commend Congressman Markey for his on the House side, is that we need to speak with one voice to those that would harm our people and say, "We're on to you. We're on to you because the president of the United States, as you said, Mr. Chairman, in the State of the Union address told us that nuclear power plants were a target". This isn't some secret. The president announced it.

We are here today with some of our colleagues who have drawn up some good legislation here to say, you know, take it somewhere else. Take it somewhere else.

I would say for me in California, where we have four power plants, that this is a very important issue. Now, the NRC views this as such a serious problem, perhaps more serious than my colleagues, some of my colleagues, that they've offered free potassium iodine pills. I have urged that those be distributed to the people in my state. I have urged that the National Guard be deployed to nuclear power plants just to make sure that it is safe.

So, Mr. Chairman, I'd ask that the rest of my statement be placed in the record. I want to commend you and I feel that your statement -- I read it -- is so balanced and so fair. You praised the NRC for steps they have taken.

But frankly, I have been around here a long time, both on the House and the Senate side. And I know it is hard to bring action to a bureaucracy. It's just the way it is. It's even hard to bring it to a big business and so, when we put pressure on, that's a good thing. I think this hearing is a good thing and I thank you very much.

JEFFORDS: Thank you.

Senator Warner?

WARNER: Mr. Chairman, I shall be very brief.

I just call upon my own experience of having served on the Armed Services Committee for 24 years (inaudible) to be chairman. We handled matters such as this on a regular basis with open and closed hearings -- most often at open hearings followed immediately thereafter with a closed. I would hope such procedures would be viewed again by the chair and ranking member of this committee as an appropriate way for us to proceed.

I'll not further discuss this matter, because I am anxious to hear from our witnesses.

JEFFORDS: Well, thank you very much, Senator, and I would just alert you that arrangements have been made and the minority staff is aware that we intend to have members to be able to meet in a confidential situation to discuss the matter.

WARNER: But would you not have that in a formal hearing status. Is there some reason not to do it?

JEFFORDS: Well, it's a matter of convenience of the members, trying to make sure they can be there. As we said, last time we had one, no one showed up except me and Senator Inhofe. Whatever the minority wants to work out, we will make the accommodation. We will just work together and whatever Senator Smith...

WARNER: We both have gained a different perspective of the seriousness of the problem, as our colleague from California has pointed out in the period between that briefing and today.

JEFFORDS: My only goal is to make sure every member has every opportunity to place themselves in a position where they can do their job.

SMITH: Mr. Chairman, would you indulge me for 30 seconds in response to Senator Boxer.

I made a comment about my feelings towards you. I just want to say that I think Senator Boxer knows me well enough to know that I don't deal in personal attacks at other members. This is a disagreement, that the chairman has every right to make the decision he made. I disagree with it and others have. It is not a personal attack and I regret that you made that charge here, but I will rebut it.

Let me also say that there has never been a classified hearing -- there is a difference between a hearing and a briefing -- there has never been a classified hearing and there was a briefing in October. A lot has happened since October. And so, let's just make sure that we are dealing with the facts, here.

JEFFORDS: Sir, we've never had a request from you for a hearing, so I will take that as a request.

SMITH: We requested a classified hearing today.

JEFFORDS: Oh. Today. Fine. I appreciate hearing that and I can assure you that the arrangements will be made.

Congressman Markey, I am pleased to have you here. I know that you have been holding hearings in some closed hearings, as would seem to be and I commend you for that. You have been a leader in this area and I appreciate having you here. If you have an opening statement, please present it.

MARKEY: Thank you, Mr. Chairman, very much.

I appreciate the opportunity to be able to testify before you. I think that at this stage we've already invoked the old Mo Udall axiom that "everything has been said but not everyone has said it". So, I begin with that as the premise to my testimony.

I thank you, Mr. Chairman, and you, Senator Smith, for the invitation to testify here today. I have introduced on the House side the same legislation that Senator Reid and yourself and Senator Clinton and Senator Lieberman, Senator Boxer, Senator Corzine, have introduced on this side dealing with security at our domestic civilian nuclear power plants.

Senator Boxer just dealt with the question of whether or not a discussion of this subject in some way or another deals with the future of nuclear power. For the record, there has not been a new nuclear power plant ordered successfully in the United States since 1974 -- 28 years ago.

The reason that that is the case, as Senator Boxer pointed out, is that Adam Smith (ph), in his posthumous wisdom, has decided that nuclear power plant cannot gain investment from Wall Street Republican investment bankers. Instead, what they have decided is to put 95 percent of their money into natural gas generated -- electrical generating facilities. That is not a discussion that has anything to do with the question of what is the level of security around the 104 existing operating nuclear power plants.

MARKEY: Similarly, you have the question of the decommission plants, that is, those plants that have already retired and what kind of security should be around those plants pretty much in perpetuity.

So, these are not questions that we seek to put out in the public in the way that Al-Qaeda could gain new information, because neither the chairman of the Nuclear Regulatory Commission nor any of the witnesses are going to betray any classified information, but in the same way that the CIA and the FBI and their procedures before September 11 must be examined -- the public demands that -- so, too, must the Nuclear Regulatory Commission and its procedures be examined so that the public knows the changes are going to be put in place.

I think they understand and want some of that information to be classified, but nonetheless, the discussions have to be conducted in a way that ensures that security is enhanced.

Going back to 1991, I began writing to the Nuclear Regulatory Commission about the potential of truck bomb attacks at civilian nuclear power plants. At the time, I was told not to be concerned about the issue. Only after Oklahoma City did the commission begin the process of upgrading. However, even that upgrade does not deal with the level of threat, which is obvious in the aftermath of September 11.

So, let me go down, if I could, a number of the issues, which I think we have to deal with. The reason -- and Senator Clinton focused upon this -- the reason that we have to do so is that we've learned from the caves of Afghanistan, on the computers which have been confiscated, in addition to the interviews which have been conducted with captured Al-Qaeda members, that nuclear power plants, civilian nuclear power plants are at the very top of the list of targets that Al-Qaeda would attack if they could successfully do so.

That's why we're here. These are the statements of Al-Qaeda. So, the 280 million Americans who see these headlines have a right to know that changes have been made.

So, what are the issues? Well, we began with something called the "design basis threat" -- that is, what is the level of protection, which is built into the design of a nuclear power plant in terms of its security.

Now, the bill which has been introduced by Senate and House members calls for the Nuclear Regulatory Commission to begin a new rule making -- a brand new rule making, to reexamine the design basis threat -- that is, what kinds of threats could be posed against a nuclear power plant. Up until September 11, power plants were only protected against

several terrorists who would arrive in an SUV, who would be relatively lightly armed and who would be non-suicidal.

Now, that's all public. Since September 11, it's quite clear that they could arrive in numbers of 19 or more, be coordinated in their attack, have advanced degrees from European or American universities, be suicidal, arrive with a tractor trailer and have more insider help than perhaps we had thought previous to September 11.

So, what the bill says is, the Nuclear Regulatory Commission should go into a new rulemaking, a formal rule making, to deal with all of those issues. Nine months after September 11, the Nuclear Regulatory Commission still has not gone into that formal rulemaking.

Now, we believe that the very fact that on a formal basis, a federal agency dealing with the security of our country is forced to reexamine all of these questions is a good thing and something, which the American public wants. The Nuclear Regulatory Commission has not done that. We do not believe that that is an unreasonable request of a federal agency dealing with such a sensitive question.

Secondly, the question dealing with the level of security that actually is at any one of these power plants -- what is the mechanism by which we test its efficiency. Well, it's something called an "operational safeguards response evaluation", that is, these are mock tests, force on force tests which are given by the Nuclear Regulatory Commission to determine whether or not any civilian power plant can withstand a test.

Now, before September 11, at that relatively low level of challenge that would come from a terrorist group -- now we realize historically, it's kind of an elementary school level security exam, they were flunking at nearly a 50 percent rate nationally -- nuclear power plants -- before September 11.

Now, we know that post-September 11 that nuclear power plants have to be protected against college level security exams. And so, what the bill does is call upon the Nuclear Regulatory Commission to upgrade, again, the testing, the force on force testing against these nuclear power plants, to conduct it not just every eight years against each individual plant, but every two years so that there is an ongoing evaluation of the security around these plants.

Thirdly, we call for federalization of the force around these plants, not an unreasonable thing, at airports across the country. The public, I think, feels a lot better that the federal government is now going to provide the security at facilities at which we know Al- Qaeda has targeted -- airports, as they have nuclear power plants.

Unfortunately, right now, at civilian nuclear power plants, some of the guards are paid less than janitors. They are not equally trained. They are not equally equipped. They don't get the same whistleblower protections that federal employees would and as a result, it's not unreasonable to assume that the level of security is not as high as it would be if we had full time federal employees who had that responsibility.

And so, the Nuclear Security Act, which was introduced, calls for a federalization of the guard forces at nuclear power plants. Let's deal with the issue of National Guard. What should be the role of National Guard at these facilities?

In some states, National Guard are deployed. In some states, National Guard are not deployed. In some states National Guard have weapons with bullets already in them. In some they don't. In some states they are authorized to shoot to kill, in other states they are not. Is it unreasonable for the American people to ask that we have a uniform policy across the country that everyone can understand is present at their nuclear power plant. I do not believe that that is an unreasonable request.

And with regard to the decommissioned reactors, that is, when a nuclear reactor has completed its life, the reactor still remains there, as does all of the spent fuel in the facilities that will be stored there until at some point, in the long distance future, there is a place, somewhere in America, that we could move all of that spent fuel.

But while we wait for that date to finally arrive, we need some security around it. So, what happens at the decommissioned plants? Well, amongst other things, sometimes they are stored in areas that do not have clearly the same security that domed reinforced facility does around the reactor as it operates.

The cask used to store the spent fuel are not tested to ensure that they can withstand long, hot fires such as that fed by a full tank of a commercial jet liner. There are fewer guards on site at decommissioned reactors and security isn't tested using force on force exercises. Let me say that again. Security is not tested using force on force exercises.

So, there you could create, as Senator Clinton pointed out, the dirty bomb using a large or a small plane attacking those facilities. It's a good question to ask. We know that on September 11, the jets that were scrambled to protect the World Trade Center were in eastern Massachusetts. Was there enough time given for them to arrive over that distance in order to shoot down what was at that point known to be a hijacked airliner.

So, in other words, a lot of people think the plane would just be hijacked at an airport that was only two or three minutes away from the nuclear power plant. What if the plane was hijacked 30 minutes away and now it is clear that there is enough time to shoot it down, to have planes be scrambled or to have anti-aircraft weapons on the ground.

Is it unreasonable to ask that there be some national policy, which is established, which has to be put in place on a coordinated basis? I'll just mention two other issues. Senator Clinton mentioned one, which is the dirty bomb, which can be created from the lower level radioactive materials, which are stolen or lost around the country. There have been 1,500 reports of those over the past five years and 50 percent of the cases still remain unsolved.

And, there's also a question of foreign nationals employed at nuclear reactors. We require a security check dealing with their criminal background, but there is no requirement that they pass any background check intended to identify terrorist links prior to their employment.

So, these kinds of issues all would be dealt with if the NRC was forced to go into a formal rulemaking rather than temporary upgrades that are made on an ad hoc basis, but not on a permanent basis and not as part of a full, formal national set of hearings that would have to have been conducted and were necessary on a classified basis.

So, I thank you, Mr. Chairman, very much for the opportunity of testifying before you and I'd be glad to answer any questions.

JEFFORDS: Thank you. I understand that you also have a telecom hearing that is scheduled this morning that you have to attend, so I will be -- no questions.

Senator Smith?

SMITH: No questions, Mr. Chairman.

JEFFORDS: Thank you. Questions?

CARPER: I don't have a question. I just want to say its great to see my old friend. Bienvenido. He and I used to travel to Central America during the Contra wars and fighting other battlefields at that time. It's always a pleasure to be with you and we appreciate your being here with us.

MARKEY: It was disconcerting to us to arrive in El Salvador, the country we were supporting and be put in a secured van with Uzi submachine guns to protect us against being killed and then to arrive in Nicaragua and for Congressman Carper and I to go on a two mile run and have the people be patting us on the back in the country we were trying to overthrow.

So, it was a very disconcerting trip in 1983 to witness the asymmetry of our policies at that time.

I thank you, Mr. Chairman.

JEFFORDS: Thank you for excellent help and we will work with you as move forward to make sure that we're sort of on the same page.

MARKEY: Thank you. I appreciate it.

JEFFORDS: The first witness and the only witness is the Honorable Richard A. Meserve, chairman of the United States Nuclear Regulatory Commission.

Thank you for testifying for the committee, Mr. Chairman. It's a pleasure to be with you again. I've enjoyed the working relationships that have evolved and commend you for your forthrightness in getting us the information that we requested and needed.

So, you may please proceed.

MESERVE: Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, I am pleased to appear before you this morning on behalf of the United States Nuclear Regulatory Commission.

My written testimony discusses the current status of actions that the NRC has taken in response to the terrorist attacks that occurred on September 11 and outlined some of the work that lies ahead.

I believe that the NRC's response to the attacks has been appropriate and thoughtful and that the NRC's current programs continue to provide a very high level of security.

MESERVE: Let me briefly summarize my written testimony. Before September 11, nuclear power plants were among the best-defended and most hardened facilities of the nation's critical infrastructure. In the aftermath of the attacks, security has been enhanced even further. On September 11, the NRC advised our licensees to go to the highest level of security, which they promptly did. Our licensees have remained at that level since that time.

Moreover, we have maintained a steady flow of information to our licensees through over 30 updates to our original threat advisors. In light of the continuing threat condition, we issued orders to our reactor licensees to establish the security requirements within an established regulatory framework. We have continued over the months to work with the intelligence and law enforcement community, the Office of Homeland Security and others to ensure that adequate protection is maintained at our civilian nuclear facilities.

In short, we are comfortable with the security at our nuclear power plants. We are not aware of any significant credible threat that is directed at the power plants, although they obviously are plants -- facilities that are of concern.

We had strong security at these facilities before September 11 and that security has been significantly enhanced since that time. Moreover, the NRC is open to change. We are in the process of revising our design basis threat. We are reexamining how and we should reinvigorate the process of conducting exercises.

We are examining the processes by which people are cleared into the facilities. All of this is part of the comprehensive review of security that is underway at the NRC.

Many members of Congress have asked the NRC how they can help to improve security at nuclear power plants and other facilities. In response, the commission has requested that Congress enact several specific legislative proposals that would amend three sections of the Atomic Energy Act.

Most of these provisions are contained in S. 1586, which was introduced by Senators Inhofe and Smith at the end of last October. I should note that all of our proposals have been coordinated with the executive branch and enjoy strong support from the administration.

One of the proposals would provide federal authorization for guards to carry in used firearms at NRC regulated facilities designated by the commission and to protect property of significance to the common defense and securities located at or being transported to or from such facilities.

This amendment could provide some protection for licensee guards from state criminal prosecution for actions taken during the performance of their official duties. At the present time, state laws govern the use of weapons by guards at NRC-licensed facilities.

In some, state laws do not permit guards to use weapons except to protect against an immediate threat to their own lives or to the lives of others. In such states, it may not be possible to shield the guards at NRC-licensed facilities from state prosecution.

In addition, some state laws make it difficult for licensees or security contractors to use more effective weaponry. To alleviate this problem, the commission has developed an additional provision, not included in S. 1586, that would authorize the guards to carry and use such weapons as the commission may require.

A copy of the original proposal with additional language to address this concern is attached to my written testimony.

Another provision would make it a federal crime to bring unauthorized weapons and explosives into NRC-licensed facilities. Although the NRC may impose sanctions against licensees for violations of its security regulations, there is no federal law permitting the imposition of criminal sanctions against the person responsible for bringing the weapon or other dangerous instruments to the site.

Our final proposal would make federal prohibitions on sabotage applicable to the operation and construction of certain NRC licensed and certified facilities. We believe that these legislative changes that I have described will contribute to enhancing the security of nuclear facilities and material.

The commission opposes S. 1746 which would federalize the security forces at commercial nuclear facilities. We see several fundamental difficulties with this legislation. First, the bill separates the strategy for the security of nuclear facilities from that of all other types of sensitive facilities, such as chemical plants, refineries and dams.

We believe society's defensive resources should be allocated in accordance with relative risk and that the separation of nuclear facilities from all other types of sensitive facilities will fragment the overall consideration of risk inappropriately.

Second, the requirement that the NRC establish a security force for sensitive nuclear facility addresses, in our view, a non-existent problem. The private guard forces that exist today are qualified, trained and tightly regulated. Unlike the situation at airports, there is no need to federalize security.

Third, the bill would bring about a fundamental shift in the responsibility and mission of the NRC and could have the unintended consequence of detracting from the commission's focus on protecting the public health and safety.

Fourth, NRC's role as an independent regulator would be compromised by the bill's requirement that the NRC design security plans for all sensitive nuclear facilities to implement the plans with NRC employees, but then also conduct evaluations of the efficacy of the plans.

Fifth, the bill would create command and control difficulties, because it would establish two classes of employees -- both of which would be responsible for safety in the event of a

terrorist attack -- licensee personnel responsible to the licensee for safe operations and federal employees responsible to the NRC for security.

In an emergency, these separate lines of authority could lead to a diminution of the capacity to ensure safety. These fundamental difficulties in S. 1746 argue against its adoption, but there also are many other concerns raised by the bill which are detailed in my written testimony.

In closing, we look forward to working with the Congress both on the enactment of the NRC legislative proposals I have discussed and on continuing to ensure adequate protection of the public health and safety.

I appreciate being here today to discuss the NRC's programs and am prepared to answer your questions.

Thank you.

JEFFORDS: Well, thank you for an excellent statement.

I have stated that I commend you and the Nuclear Regulatory Commission for their comprehensive, top to bottom review of security measures, which you are undertaking. I know this is a complex process and one that must be carefully considered. However, we also must be diligent in quickly putting into place appropriate measures to both provide protection and to give the public the confidence that we are doing so.

I have been told that the other agencies have set specific time frames for completing their agency reviews, such as a national nuclear security agency within the Department of Energy, which has committed its fiscal year 2003 budget request to establish a new design basis threat for the security of the nation's nuclear weapons facilities by September of this year.

Do you have a date certain for completion of your design basis threat in other security revisions?

MESERVE: We don't have a date certain by which to complete some of these tasks, although these are very much activities that are fully engaging the commission.

Let me say that for the interim, we have established what we call "interim compensatory measures" at our facilities, which are significant enhancements on the requirements that the licensees must meet in order to ensure safety.

That gives us the comfort that we are in an appropriate position to deal with the situation today.

We are in a somewhat different situation than the Department of Energy in that it has the authority to make the changes, doesn't go through a regulatory process in doing so, so there is a somewhat easier situation that they confront in bringing about changes in the security environment than at the NRC.

But nonetheless, we have serious security that is in place and we are examining where we should go in the long term in terms of regulatory changes.

JEFFORDS: Well, it's important that you communicate with us if there is anything we can do to make sure that there are no roadblocks that are making it difficult for you to meet these time demands.

MESERVE: Thank you very much, sir.

JEFFORDS: We want to help in every way we can to make sure it can be done expeditiously.

REID: When do you anticipate completion of the evaluation and can this committee anticipate we will fully share in your findings?

MESERVE: Explore what, sir?

REID: The actions that you are taking now.

MESERVE: Let me say it's been a -- we are prepared at any time to share the actions that we are undertaking. Let me say that they range over a wide variety of areas and we're not holding up steps in one area to await actions we might take in the other.

As an example, Mr. Markey had raised the question about dealing with the possibility of foreign nationals who might be employed at nuclear power plants. We have worked with the Immigration and Naturalization Service to complete the screening of employees at nuclear plants to satisfy ourselves that there are appropriate people who are employed.

We have revised the mechanisms for providing access, particularly temporary access, to facilities to upgrade the security. So, that's a step that we have taken. There are a multitude of different areas in which we have taken steps as which the circumstances then arise.

I don't see and I can't commit to you exactly when the whole package of steps will be completed. I see this as an ongoing effort that is going to be one that is going to consume this commission and I believe some aspects of it may affect the entirety of the infrastructure and may consume the Congress for an extended period.

REID: I just want to make sure that we have a relationship where you can freely come to us if you are having anything that is holding you up for which we can assist you.

MESERVE: I very much appreciate that, sir. We would not hesitate to seek your assistance.

REID: It is my understanding of the past that you have conducted force on force training exercises against individual facilities no more often than once every eight years. Do you intend to increase that and what additional resources do you anticipate for that if you do?

MESERVE: Well, let me say I think there has been some confusion about the way exercises were conducted before September 11. It is the case that on average the operational safeguards response evaluations, which was the OSREs, which is the terminology we use for these exercises, were the actual force on force drills were conducted on an average of once every eight years.

That doesn't mean the security at the plants wasn't subject to continuing scrutiny. We have resident inspectors who are at every site. There is evaluation that is undertaken at the sites as part of the ongoing inspection efforts to satisfy ourselves that the security requirements were being met.

It is, in fact, that these were very hard tests and there have been some assertions made that we found problems at some of the sights at which these tests were undertaken and that, in fact, is the case.

But it's what you expect that in conducting the tests, the attacking force knew the entirety of the defensive scheme. In fact, the tests were designed to probe those areas where based on a full evaluation of the defensive scheme, our experts has some questions about the adequacy of the defensive strategy.

So, they probe exactly where the sensitivities were.

I think it is very doubtful that an attacking force would have that level of knowledge about what is going on at the nuclear plants to be able to design an attack in that way.

But nonetheless, we are undertaking a reexamination of the entirety of the way in which we are doing exercises, that is something that is -- there is a staff paper that is on the resumption process that is expected to the commission later this week.

We will be starting the table top process, I would anticipate, in the summer, then go to the full force on force exercises and resume them later this year. Our commission has not had

the opportunity to examine the yet budgetary implications of increased frequency, but I think it is very likely the frequency of the exercises will be significantly increased.

REID: What is your budget request for fiscal year 2003 regarding additional security measures and how do you anticipate it will be used?

MESERVE: We do have a supplement for fiscal year 2002 of about \$36 million. My recollection for fiscal year 2003 is that it was on the order of \$29 million or \$30 million for our security efforts. That would involve our continuing work on evaluation of vulnerabilities and enhancements of communications capabilities and our own capacity to deal with confidential information and things of that nature.

I think that -- I know you are accustomed to hearing about billions of dollars in the security area, and I think it is important to recognize that we are a regulatory agency and the substantial part of the cost associated for security are born by the licensees, and of course, don't appear in our budget.

Our licensees have spent many millions of dollars since September 11 dealing with the requirements that we have imposed.

REID: Well, thank you.

(CROSSTALK)

JEFFORDS: ... sure we have some additional questions, which we'll submit to you for you and your staff to answer.

I now turn to Senator Corzine.

CORZINE: Thank you, Mr. Chairman.

I appreciate the testimony. But I have some concerns about how your arguments flow with regard to S. 1746, particularly the federalization of security. Quite frankly, I have a hard time understanding how defensive resources that might be dedicated to preserving the safety of our nuclear power plants would undermine, on a relative risk basis, other activities in our society.

It just strikes me that one has to assess the kinds of problems that could occur -- speak about Indian Point with 20 million people in the immediate area. I don't understand the flow of that logic with respect to chemical plants or other kinds of issues. It's either a priority and a serious risk to the public, which I think the public believes it is, or it isn't. And I don't think we're talking about relative risk here, we're talking about a risk of something that, generally, is accepted as something that could be extraordinarily dangerous both by identification by our enemies and also by our nation, itself.

And then I add to that your third argument that somehow or another the unintended consequence of detracting from the mission of protecting public health and safety -- nothing would be more seriously detracting or contributing to public health and safety than a terrorist attack that tries to use our infrastructure as a weapon.

I'm not sure where I come out on the federalization of security forces, but I don't see those arguments holding any weight whatsoever in the context of a major issue with regard to public health and safety.

First of all I'd like to hear comments on that.

MESERVE: Well, you've flagged a few of the arguments that I presented. Let me say with regard to the comparative risk issue -- is that what I'm suggesting is not that we all should not take the risk of security at nuclear plants seriously. What I am suggesting is that we have a societal issue, in fact, it's one that you raised in your opening statement that we have other types of facilities that at which their security issues exist. And you mentioned the issues of chemical plants, which could have consequences that are equally as severe as

a nuclear plant if there were a successful attack. And somehow or another, we need to develop a strategy for how we defend critical infrastructure of all kinds.

And the argument here is suboptimizing and dedicating a certain approach to just nuclear plants may greatly enhance the security in one area and we may be missing other areas of vulnerability. And we need to have some sort of a comprehensive strategy. That's not the NRC's responsibility in that our responsibility is for the nuclear plants.

But I think as a society, we have an issue of recognizing that we have limited assets to be able to spend on security, and somehow we need to allocate those in some rational way.

And it's a policy issue which I think is ultimately one for the Congress.

With regard to the third point on the deflection...

CORZINE: You could agree with your presumption that there are other assets in this society that need security, and maybe are not even meeting the kinds of standards that we're now meeting with regard to our nuclear power plants, and still argue that federalization is a good thing because it would provide even enhanced security on those relative merits. And I don't know why that would dismiss it as an initiative.

MESERVE: I think that's a fair comment. But I think it does lead you on the path of federal -- if you're federalizing security for nuclear plants to look around the corner about the implications of that -- of whether you want to do that for the entirety of civilian infrastructure. And it does set you in a certain mode of how you're going to deal with these problems. And you might want to suggest it might be appropriate to think as to how we deal with the integrated set of issues, rather than just one sub-part of the total problem that we confront.

The third point which I raised was the possibility of the deflection of the NRC. And this is just to recognize the reality that if we were to have responsibility for over 5,000 security guards and implementing security plans and assuring the adequacy -- putting in the equipment that's necessary, that we would have an activity that would involve employees that are over twice the number that are current NRC staffers. We would become an agency that would have new and demanding responsibilities in the security area that we have not held in the past and something we would have to fight against. And I wouldn't want to suggest that we wouldn't succeed in fighting against.

But one of the things we would have to fight against is that we would not devote the time and attention to the ordinary safety issues that are ones that we have to deal with and have been ones that we deal with on a day-to-day basis.

CORZINE: It might come with some of the advantages that Congressman Markey talked about, though: whistle-blower protection; greater consistency across the nation; a number of other elements that I think are possible. And since the fundamental issue is protecting the public from the hazards, as you talk about -- radiological hazards -- I'm not sure that that isn't a stronger argument for federalization, to make sure that we have a common approach to protecting security.

Let me ask one other question about spent fuel issues, which are certainly a topic of the day. The idea that there aren't force-on-force tests with regard to decommission plants, is that something that is one of the options that you are considering? Where are you with regard to that?

Is that similarly -- is there an intention to work on the dry cask storage of spent fuel, which, whether it's decommissioned or it's not decommissioned, in the current world, seems to be one of the few options that we have that's available. And certainly we've got a major controversy going on in the State of New Jersey about Oyster Creek storage of spent fuel and dry cask next to one of our major thoroughfares, being an issue. Would you give us some comment on both decommissioned plants and protection with regard to dry casking?

MESERVE: I'd be glad to.

Let me just note before I turn to that, however, that things like whistle-blower protections are things that we do provide to the -- in that if there's an allegation of a problem at a nuclear plant, we provide protection to those people. So it's a very important channel for communication.

CORZINE: I'll just give anecdotal information. I did, as Senator Voinovich, spent time touring one of the nuclear power plants and spent time with individual guards. And they did not -- and it was the only weakness that I actually saw in this whole process is that they did not feel that they were plugged into the structure of protection as securely as they might in other ways. So I'm concerned about that.

MESERVE: It is, in fact, the case that since September 11, the concern about spent fuel and the possible vulnerability of spent fuel has been something that has received a great deal of attention by the NRC. One of the consequences of that is that as part of these measures that I've described, since September 11, is that we have significantly upgraded the security that is provided for spent fuel in that we're -- this has been an ongoing process. But there is significantly enhanced capacity today, as compared before September 11, that's targeted on protecting spent fuel.

We have not worked out all of the implications of that in terms of how that would affect future exercises. But I would anticipate that our approach to dealing with future exercises of our security plans will encompass a variety of aspects of a nuclear industry that were not so much the focus before, and that would include spent fuel.

JEFFORDS: Senator Clinton?

CLINTON: Thank you.

Thank you, Chairman Meserve. As I've listened carefully to both your testimony and the answers to questions, there were two statements you made that caused me some concern. And it's not a reflection on the NRC, so much as it suggests some of the continuing challenge we face to preparing for whatever might happen.

The first is your reference in your written testimony, and in response to Senator Corzine, that we have to make hard choices because we have limited resources for security.

I think that's the wrong way to go about this issue. We ought to figure out what is it we need, not only to secure nuclear power plants, but chemical plants and the rest of our critical infrastructure that might be vulnerable to any kind of attack or even accident. And we ought to say to ourselves, "OK. That is the cost of security in the 21st century."

Now, I understand that there are budgetary constraints that are imposed. But I certainly don't believe we should be limiting ourselves before we even understand completely what our functional needs are and then put price tags on them. And that's not an NRC issue, that's a larger congressional issue.

But I believe it's imperative that we do an analysis that is as honest and straightforward and as clear about the cost as we possibly can. Then it's up to the Congress and the American public to decide whether they want to bear the cost. But I don't think anyone in any agency should be, you know, in any way constrained about what is needed before we get to that final point.

The second concern I had is, in response to a question by Chairman Jeffords, you were talking about the force-on-force exercises and made the statement that it was doubtful that attackers would have such intimate knowledge of the nuclear power plants.

I just think that's a false assumption. I don't think that's an assumption we can make today. I don't believe any of us should be assuming any limited knowledge or capacity on the part of our adversaries.

So I would reverse the presumption and start from a basis that we have to presume that our adversaries know everything there is to know, and, therefore, we have to take actions to protect ourselves against that presumption of knowledge.

Now, with respect to the design basis threat time line, which, apparently, has been pushed back, it's already been nine months. Can you give us an estimate today as to how much longer it will take on the design basis threat re-evaluation?

And then, after the DBT is revised, how long will it be before we see new security plans at plants? Will it be a matter of months? Will it be a matter of years? Can you give us some ballpark estimate as to when whatever you eventually decide is the new design basis threat will be implemented at plants across the country?

MESERVE: Let me respond, if I may, first to your concerns because I think there may have been some misunderstanding of what I at least intended to say.

My comment about the need for an allocation of resources was not that this has been a constraint on how the NRC has examined the security issue. We have looked at what we have thought has been necessary to provide adequate protection of public safety, and we have imposed those requirements without concern about any examination of the cost implications of those actions.

My comment was really a broader societal one that it is -- and it was in the context that Congress is going to have to decide about how much our society, on the broad sense, should spend on security as a whole. And it wasn't that I was purporting to make that as a decision or a factor for the NRC to be made.

Secondly, my comment about the force-on-force exercises may also have been misunderstood. Our pre-September 11 DBT did include, and does include, inside assistance to the attackers. And we conducted the exercises, therefore, assuming detailed knowledge of the details of the security plan.

You and I may differ as to our sense of how likely it is that a terrorist attacking force would have that knowledge, but we have assumed that that knowledge does exist, as it's obviously, a conservative approach to be taken.

With regard to the design basis threat, this is something that is subject to evaluation by the commission now. I think that we're talking about the period of months for us to, sort of, chart off onto a new course. There are implications for the DBT in terms of how, in fact, we put it in place. There are some components of it that, obviously, have to be classified.

MESERVE: Some components may require some regulatory changes so that there are some details that certainly will have to be worked out. And how, exactly, we proceed I think is going to be guided by the deliberations that are underway before the commission now.

CLINTON: In other words, we don't know.

MESERVE: Now, in the meantime, however, I think a most important point is that we have not waited all these months to make sure that we have put in requirements at the plants to significantly increase the security. And we did that on a prescriptive basis in that we put demands for additional guards and additional weapons and additional patrols and additional modes of attack and dealing with larger truck bombs and things of that nature. Those are all in place at nuclear power plants today.

CLINTON: Well, let me, then, just clarify, Mr. Chairman, because in your written testimony you state that requests have been received by the NRC for extensions of the deadline to submit a schedule for implementation of the new orders that were issued back in February. How many such requests for extensions of time were received by the NRC? And how many requests were granted?

MESERVE: There may be some misunderstanding in the testimony on that. We have probably 30 requirements, in that order of magnitude, that we imposed on the licensees. We asked them to come in within 20 days and give us the schedule for completion of implementation, and set an absolute deadline of August 31 for the completion of everything.

Some have come in and asked for an extension of the 20-day period within which they would give us the schedule for the completion of all of the activities because it was focused on one particular area that required some detailed analysis of blast effects in order to determine what engineering changes would be needed. And the licensees made the case that it was going to take them longer than 20 days to be able to complete that work.

We have not had a request for anyone to extend the absolute outer limit of completing the work, which was August 31.

And I apologize if there's some confusion in the statement.

CLINTON: Thank you.

JEFFORDS: Senator Boxer?

BOXER: Thank you.

Mr. Chairman, I am a little concerned about a few things here. And I just, perhaps, want to make a couple of statements and ask a couple of questions.

I am asking you, as one Senator who has four nuclear power plants, please don't spend your time on the issue of the broad question of how much we want to spend protecting our people. That is a decision that will be made by the president and by the Congress as we do our budget.

Your job is to tell us what you need to do to protect the people from the disaster that would follow an attack on a nuclear power plant. And I want to stress that. We need you to tell us that.

I, frankly, don't need to hear that you don't think you should federalize employees. You know, to me, that is an issue that I can go any way on. I just want to make sure the people we hire aren't coming from the cells of Al Qaeda, whether they join the federal government or they join a private security force. OK?

So I am worried.

And then I put that together with your point -- we need to look at all the threats, you said. Don't just do something special, you know, for the nuclear industry. And you oppose this legislation, which is your right. I respect that. But why don't you want to be a model of safety?

Listen to what happened in New York, as our colleague, Senator Clinton well notes. "The World Trade Centers were designed for fire protection, but according to the engineers, much of the fire protection materials were displaced after the plane hit the building."

Now, you have said in your testimony that nuclear power plants are designed to withstand tornadoes, hurricanes, fires, floods and earthquakes. As a result, the structures inherently afford a measure of protection against deliberate aircraft impacts.

I would suggest to you, in the light of what we learned from the World Trade Center, that kind of rationale doesn't sit well. Are you -- let me -- I'm not going to ask this question because I think I have to ask other questions in a closed briefing, which I will attend.

But I'm just going to say that I trust that you are doing computer modeling to see whether the lessons that we learned after the World Trade Center would not apply to this situation. So I'm not going to ask you a question here about that. I am just assuming you are doing this.

But I guess my point is then you say you don't know of any particular threat against nuclear power plants, but yet you made these pills available to the people, which I am very grateful you did that. So I hear mixed messages. And I think the best thing that we can do is to send a very clear message to everyone in the world that we are doing everything we can, as you say, that we are acting conservatively. I agree with that. That means you do more, not less.

And, you know, the president announced that the nuclear power plants were listed as targets. We've all seen the actual documents that came out of the search of the caves by our brave men and women in uniform. So we know that. So you're not suggesting that nuclear power plants are not a target, are you, in saying you have no information? That's one question.

And secondly, are you briefed by the FBI and the CIA on a regular basis? Do you feel comfortable with the type of briefings that you are getting, given all the news that is coming out?

MESERVE: Let me respond to several of the points you've made.

I think that maybe we've gone off on a direction I had not intended -- that I was not purporting that we are making the judgment as to how much society should spend. That's not -- that is clearly something for the Congress.

With regard to the aircraft, that is something that we are undertaking. And that's a very major effort to examine the engineering features...

BOXER: Good.

MESERVE: ... of the aircraft. And that is something at a closed session that I'd be prepared to comment...

BOXER: Good.

MESERVE: ... give you briefing on. But that has been a very major activity for the NRC, and our contractors, in the period since September 11 -- to assess the vulnerabilities and discuss -- assess mitigation measures that should be taken.

We have very close coordination with the FBI and the intelligence community.

BOXER: Good.

MESERVE: We have analysts who are intimately connected with assisting those agencies and evaluating threat information. And as part of our advisory system, when a licensee observes something that is occurring at the plant, they report it to us. We coordinate with the FBI and the intelligence community for its evaluation. And there is a very close connection involving security experts at the NRC working with their counterparts in these other agencies to assure that we have detailed information and that we share with each other in assessments.

And my comment that they're not aware of a credible threat directed at a nuclear power plant is consistent with the advice that we have been receiving from the intelligence community.

Your comment about the federalization -- I very much agree with your notion that the nuclear industry should be a model for society in security. I think, in fact, we are.

I would invite all of you to visit a nuclear plant and to see the level of security that exists at these facilities. I think it would be very reassuring to you to visit a plant and see, on the ground, all that is in place. I can't, obviously, describe it in this session, but I very much welcome -- help and assist you in a visit if that were necessary.

BOXER: Mr. Chairman...

MESERVE: I want to assure that...

BOXER: ... I know my time is up, but I just want to make one point. I want to join with you and other members.

We want to work with you for, you know, if there is a time when you don't feel that you're getting the information. These are the kinds of things we can help with.

And I wanted -- and I will in written questions -- ask you about -- I have 100,000 people, far less than Senator Clinton, living within a 10-mile radius of my plants. But I have many, many more living within 50 mile. So I'm going to ask you to answer in writing, if you will, what measures you're taking beyond the 10-mile rim.

I thank you very much.

JEFFORDS: Thank you.

Senator Carper?

CARPER: Thank you, Mr. Chairman.

I just want to say to the Chairman, thank you for joining us today and for your stewardship and for your testimony.

In your written testimony and also, I think, in part of your oral testimony, you talked about what we can do to help you and your colleagues to enhance the security of our nuclear facilities. And you talked specifically about legislation introduced by several of our colleagues, which has been introduced in this Congress, which has not yet been acted on. And in your testimony you discuss several of the provisions of that legislation.

Can you just tell me what is the status of that legislation today, with respect to having held hearings, scheduled markups -- what is the status?

MESERVE: The NRC legislative proposals, which was ones that passed the Senate last year, but did not succeed in passage through the House, were reintroduced here, again, by Senators Smith and Inhofe...

CARPER: Which Senator Smith?

MESERVE: Pardon me?

CARPER: Which Senator Smith?

MESERVE: Senator Smith from New Hampshire, who was with us earlier.

And we have suggested an additional provision to that legislation, which was added to the testimony. We have not had an opportunity of a hearing in this session of the Senate to discuss this. So there has not, yet, been an opportunity for a hearing or a markup on that legislation.

CARPER: Is the committee of jurisdiction for the bill this Committee?

MESERVE: I will defer to you as to the jurisdiction of the committees, but I believe that the jurisdiction is this Committee.

CARPER: Mr. Chairman, is that correct?

JEFFORDS: I believe that's -- we always claim it, anyway.

(LAUGHTER)

CARPER: Let's talk about the legislation that has been assigned to this Committee over which we have jurisdiction and take several pieces of it and talk with me about why they are necessary and also, what criticisms of those proposals that you might be aware of that we should be aware of.

Don't go into great detail, but just give me an overview -- the key pieces of the legislation...

MESERVE: Sure.

CARPER: ... maybe why they're critical and any opposition or criticism of those that you're mindful of.

MESERVE: Well, I think that the -- I've described in my testimony the NRC proposals and why we think that those are wise and how they would be supplemented. And so, those are things that -- and they've also -- we have solicited and obtained the support of the executive branch for those components of legislation. So those would be the three parts that were in Senator Smith and Senator Inhofe's bills as supplemented by the additional component, which is the attachment to my written testimony.

The other testimony that is before this Committee is the legislation that would govern the federalization of the guard forces. And my testimony discussed why we have the concerns that we have with regard to federalization.

There's one aspect of that that, perhaps, I should emphasize that may require some amplification. And that is that there's a command and control issue that we take very seriously that would arise if the troops were federalized at the commercial power stations. And the reason is that it is the obligation of the licensee to assure the safe operations of the facility. And so all of the control room staff and so forth are licensee employees, taking instructions from the licensee, within the regulatory environment that we establish -- is subject to our orders. But nonetheless, it's the licensee that has the fundamental obligation to assure safe operations.

The legislation would take security and rip that out of the responsibility of the licensee and make that a federal responsibility so that some of the employees at the site would be ones that would work for the NRC, as our employees, responsible for security. And the people responsible for safe operations reporting to the licensee.

I can imagine in an emergency that were to arise -- that, heaven forbid, there were a terrorist attack on a facility that took out some equipment -- and you can see that, in those circumstances, I believe that we would need clear command and control as to responsibility as to what action is to be taken. And the licensee actions to assure bringing the plant to a safe condition are ones that would have to be coordinated with the security actions.

And fracturing the chains of command for -- in those circumstances, we think would be a serious mistake -- that should be integrated. And having that responsibility integrated together in the licensee organization, we think, is an important factor.

CARPER: I want to go back to the legislation that you mentioned at the outset, and that is the legislation that is cosponsored in part by Senator Smith of New Hampshire. And part of my question was what are the criticisms -- maybe the legitimate criticisms of the legislation? And how would you respond to those criticisms?

MESERVE: I must admit that it has been a complete puzzle to me in that I have -- the NRC, for years, has been pursuing this legislation. It passed the Senate last year and I have not heard any criticism of the legislation, but we don't seem to be able to get it done.

CARPER: Why do you think that is?

MESERVE: I have no idea. I think that part of the concern, maybe, that it is not seen as dramatic enough or something. I don't know.

Seems to me that they are changes that are ones that are appropriate steps to take and they're ones that I would urge that the Congress enact.

And I'm not aware of any criticism of them.

CARPER: I just say to my colleagues, we've talked a lot and seen a lot about reports that came out of the FBI and -- I guess it was in Minnesota and Phoenix and things that we're mindful of and, in retrospect, we should have paid more attention to. And someone should

have done something as a result of that. And I would just hope here, in this case, that we would not be guilty of not pursuing an agenda. Once we've discussed it and decided it's worth pursuing, that we not be negligent.

Thank you.

JEFFORDS: Thank the Senator for his words.

And I commend you for your testimony and it's been an enjoyable experience to work with you. You and your members have been very forthright. And we will be having another closed session so that any questions that the members have that they didn't feel appropriate to ask can be answered.

Thank you.

And we'll move to the next panel.

I also ask unanimous consent that this Nuclear Security General Aviation is not a Threat document, by Senator Inhofe, be made a part of the record, without objection.

Now, please...

MESERVE: Thank you, Mr. Chairman.

JEFFORDS: ... thank you, Mr. Chairman. I enjoy working with you. We'll be back with you soon.

MESERVE: Thank you.

JEFFORDS: Our next panel consists of five witnesses. Our first witness is David Lochbaum, a Nuclear Safety Engineer with Union of Concerned Scientists. Our second witness will be Mr. Jack Skolds, Chief Nuclear Officer at Exelon Corporation. Next, we will have Danielle Brian, Executive Director of the Project on Government Oversight. After Brian, Donna J. Hastie, a specialist in emergency preparedness will testify. And, finally, Dr. Irwin Redlener, President of the Children's Health Fund, will finish our Committee's testimony this morning.

Each witness is requested to keep his or her testimony to no more than five minutes.

After the conclusion of all testimony, members will be free to ask questions. And please speak clearly into the microphone, to all of you, so as it's difficult to hear from here sometimes.

We greatly appreciate all of your time and your willingness to share your expertise with the Committee. And thank you for being here.

Mr. Lochbaum, please proceed with your testimony.

LOCHBAUM: Good morning, Mr. Chairman, and members of the Committee.

My name is David Lochbaum. I have been the nuclear safety engineering for the Union of Concerned Scientists since October of 1996. Prior to joining UCS, I worked for over 17 years in the nuclear power industry.

The issue before you today is the security of our nuclear facilities. As with many nuclear power issues, we have firmly staked out middle ground on this one.

We disagree with industry representatives who contend that nuclear power plants are hardened structures virtually immune from attack and who claim that the health consequences from a successful attack would be insignificant.

But we also disagree with those who contend that nuclear power plants are an undue hazard that can only be dealt with by immediately shutting them down.

We view nuclear power plants as being vulnerable to sabotage and advocate taking all reasonable steps to reduce the chances of a successful attack and to minimize the harm

from a successful attack. We are, therefore, pleased to support the legislation proposed in S. 1586 and S. 1746. Once enacted into law, these bills would provide millions of Americans with greater protection against nuclear sabotage.

The Price-Anderson Act proves the need for adequate security. Price-Anderson was created because the liability from a nuclear plant accident could be so large as to prevent private insurance companies from underwriting that risk.

Congress is in the process of renewing Price-Anderson because nuclear power plants remain immense risk hazards. The chemical industry and other industries do not receive comparable federal liability protection.

The 1975 fire at the Browns Ferry nuclear plant illustrates their vulnerability. A worker checking for air leaks with a candle started a fire that burned out of control for nearly seven hours. The blaze disabled all of the emergency core cooling systems for unit one and nearly all of these systems for unit two. Only innovative efforts by workers to cobble together a make-shift scheme for adding water to the unit one reactor prevented a core meltdown.

It is not far-fetched to think that one or more attackers, armed with explosives or a large aircraft fully loaded with jet fuel, might be able to cause more damage than one worker with one candle.

While all provisions of both bills have merit, the most valuable portion of the proposed legislation is Section 4 of the Nuclear Security Act. This section requires the Nuclear Regulatory Commission to conduct force-on-force testing at each nuclear facility at least once every two years. The force-on-force tests pit mock intruders against the plant's barriers and defenders.

How do teachers evaluate their students' academic performance? Do they use a checklist to verify that students attend classes and have textbooks, pencils, paper and calculators? No, they use tests that demonstrate their students' capabilities. Textbooks and class attendance are the pathway to knowledge, while tests are the best measure of progress along that pathway.

Likewise, security checklists show that a nuclear plant has gates, guards and guns, but they don't provide enough insight on progress towards security. Force-on-force tests demonstrate whether adequate security has been achieved. Frequent demonstration of adequate security performance is invaluable.

The Nuclear Security Act also requires potassium iodide stockpiling for people living within 50 miles of each nuclear facility. This provision is urgently needed to eliminate current inequities.

That potassium iodide has value is clearly demonstrated by the fact that it would be distributed to nuclear plant workers and federal, state and local officials responding to an accident. It would seem unwise not to provide equivalent protection for Americans living downwind of the facilities.

But, according to the NRC, only 13 states currently stockpile potassium iodide for people living within the emergency planning zones. The NRC protecting only some Americans makes about as much sense as the US Coast Guard requiring lifeboats on only some cruise ships.

Expanding the potassium iodide inventory to cover a 50-mile radius, rather than a 10-mile radius, increases the likelihood that all people in harm's way will be protected. No matter where the line is drawn, the question will remain about people living at end plus one miles. The 50-mile radius seems to be a reasonable compromise. Even if conditions affect people 60 or 70 miles downwind of a plant, potassium iodide upwind could be redirected to the folks that are in harm's way.

The proposed legislation would greatly improve nuclear facility security. The only element potentially missing from the proposed legislation is adequate protection against insider sabotage. There is language in the Nuclear Security Act touching upon insider sabotage, but it does not explicitly address factors such as the two-person rule for vital areas; use of in-plant security cameras; armed security guard escorts for visitors to vital areas; integration of security considerations into normal plant safety decision making; and training for operators when responding to actual sabotage.

UCS recommends the Committee consider strengthening the proposed legislation by explicitly incorporating these items; obtaining a firm commitment for the NRC to include these items in their top-to-bottom review or by providing clear guidance on expectations regarding these items in the committee reports that accompanied these bills.

In closing, UCS supports S. 1586 and S. 1746 and hopes that both bills become law.

I have testified before Congress several times. Until now, it has been always to oppose this or to complain about that. It is a welcome change to appear today in full support of these bills.

The worst part about these bills is they address reasonable steps that could be taken, but have not yet been taken. The best part about these bills is they will solve problems once they are enacted.

Thank you.

JEFFORDS: Thank you. Very good -- you're almost right on the five minutes -- appreciate that.

LOCHBAUM: I practiced more than once.

(LAUGHTER)

JEFFORDS: Mr. Skolds?

SKOLDS: Thank you, Mr. Chairman, and members of the Committee. I thank you for the opportunity to appear before you today to discuss this important issue.

I would also like to thank several members of the Committee for investigating the issues of nuclear plant security first-hand. Senators Graham, Clinton, Corzine, Smith, Voinovich and Specter have all toured nuclear power plants to receive briefings on plant security since September 11, as have several members of the Committee's staff members. In fact, Senator Specter has toured three of the five nuclear power plants in Pennsylvania, including two Exelon facilities.

I will focus my comments today on the legislative proposals before the Committee, though my written statements provide extensive background on security at commercial nuclear plants in the United States after September 11 and recommendations the federal government should take to enhance security. Before addressing the legislation pending before the Senate, however, I'd like to make a few comments.

We believe that there are people interested in doing harm to nuclear power plants. We have the most at risk. And we take this issue very seriously.

The nuclear power industry is absolutely committed to ensuring that our plants are operated safely and that all necessary steps are taken to protect the health and safety of the public and our employees. Thousands of our employees live within 10 mile of the 10- mile EPZ surrounding the nuclear plants, and no one has a greater interest than us.

Second, commercial nuclear power plants are the most well- protected industrial facilities in the United States today. And, in fact, many businesses are turning to us as the model for providing security and emergency planning at their industrial complexes.

And third, as the United States acts to strengthen homeland security in light of the new threats to the nation's security, it is imperative that federal, state and local officials work cooperatively with nuclear plant operators to build on the solid foundation of emergency response capabilities that existed prior to September 11.

Now let me turn my specific comments to the legislation.

On S. 1586, the nuclear industry is on record as supporting the provisions included in S. 1586. And while some NRC licensees have recently expressed concern about the possible legal implications of providing wide-ranging arrest authority to private security forces, the industry stands ready to work with the Committee to resolve these concerns.

Concerning S. 1746, it makes sweeping changes in a manner in which security at commercial nuclear facilities is addressed. Unfortunately, this legislation puts the proverbial cart before the horse by mandating radical legislative solutions to issues that have not been identified as problems.

Section 3 of the bill would substitute a statutorily-mandated design basis threat for that developed by the NRC, and would federalize security at commercial nuclear power plants by establishing a nuclear security force within the NRC and by requiring the Commission to develop a security plan for each of the nation's sensitive nuclear facilities.

Section 3 also levies a tax on sensitive nuclear facilities to fund a newly created Nuclear Security Fund.

Before legislating the details of a design basis threat, Congress should first direct the president to conduct a comprehensive review with the various energy, intelligence and law enforcement agencies of the various threats facing nuclear power plants. Once such a review is completed, the NRC should be directed to adjust the design basis threat accordingly.

With regard to federalization of nuclear plant security forces, Exelon strongly opposes such a drastic and unjustified change in the security requirements. Security forces at nuclear power plants are highly-trained professionals. And substituting federal employees to safeguard sensitive nuclear facilities may actually degrade security.

We believe that the integrated command and control of plant security forces is an important aspect of our operations and plant operations personnel. And it's essential to assure the protection of public health and safety.

Similarly, requiring the NRC to develop the security plans for each of the nation's sensitive nuclear facilities within 180 days would be a significant task that would result in an unnecessary, and perhaps dangerous, diversion of commission resources.

As with federalization of the nuclear plant security forces, requiring a federally-developed security plan for several dozen sites is unnecessary given the lack of evidence that the current system is deficient.

And finally, a tax on nuclear power plant operators would fund a new and unnecessary federal bureaucracy and would be unparalleled in the private sector. Simply put, this \$700 million tax would fund an activity that is effectively managed by the private industry.

Section 4 establishes an Operation Safeguards and Response Unit at the NRC. The existing NRC Operational Safeguards and Response Evaluations, or OSRE, has been applied and interpreted in an inconsistent and, at times, arbitrary manner. Anti-nuclear groups and the NRC have, at times, inaccurately characterized licensee performance under the existing program by claiming that we have failed.

Now, these programs have been conducted for approximately 15 years. And if the report had been that we had found no areas for improvement, I'd be very concerned. There are

areas for improvement. And these exercises are very rigorous. These exercises are very detailed and they are intended to identify areas for improvement.

CLINTON: Mr. Skolds, you'll have to sum up, we're at the end of your time.

SKOLDS: All right.

I'll stop right there, then.

SKOLDS: Thank you for the opportunity.

CLINTON: Thank you very much. Ms. Brian?

BRIAN: The Project on Government Oversight, an investigative organization that works with insiders in order to improve public policy, first began investigating nuclear security by looking at the Department of Energy's nuclear weapons facilities. This work caused security guards at commercial reactors, current and former NRC security officials and contractors with military experience to contact POGO about inadequate security at commercial nuclear plants.

My testimony is based on information and documents from these insiders. I must strongly emphasize that our sources of information are not anti-nuclear. In fact, most of them have spent their entire professional lives working and supporting the nuclear industry.

We applaud the sponsors of Senate Bills 1586 and 1746, the Nuclear Security Act, for several important provisions contained in these bills.

The NRC's current DBT is wholly inadequate. According to published sources, the NRC's DBT requires protection against fewer than a handful of outside attackers. This is absolutely absurd given the September 11 attack. And I'd suggest that the fuss about disclosing the already very public number of attackers nuclear plants are currently expecting appears more that the NRC and utilities are embarrassed about this ridiculously low number.

Half the nuclear power plants cannot even protect against these paltry current threat assumptions. Let me caution the Committee, despite what Chairman Meserve said earlier, these tests are seriously dumbed down. They are not hard tests. They, first, do not go beyond this paltry threat assumption. And I outline in my written testimony, many more are artificialities, including, as I think, you, Senator, mentioned, that they give six to 10 months advanced warning, which, obviously, a terrorist would not do.

Can the guard force protect the integrity of the plants from a suicidal terrorist attack? The statistics say no. How much worse would those statistics be if the DBT accurately represented the threat we now face?

The NRC has never tested a power plant guard's ability to protect spent fuel pools, possibly the prime target of a terrorist attack. It is estimated that a terrorist could penetrate the fence line and breach a secured spent fuel pool in less than 60 seconds.

We encourage the NRC to immediately recognize spent fuel pools as a primary terrorist target.

Military special forces have told us about obvious vulnerabilities at most nuclear power plants that I would be very happy to discuss with senators or staff. I am uncomfortable, however, outlining them in public testimony.

In very general terms, a terrorist carrying an explosive could blow a sizable hole in the reinforced concrete around a spent fuel pool. At one-third of our reactors, the spent fuel pools are above ground, where they could be targeted from outside the fence line, resulting in the immediate release of high levels of radiation, quickly turning into an uncontrolled radio-active fire.

The Nuclear Security Act requires a plant to increase security of these spent fuel pools. In the meantime, we recommend barriers and delay mechanisms to supplement security until the spent fuel is placed in dry casks underground.

Guards told POGO that their only firearms training was firing 96 rounds or shots with their handguns, and far fewer with their shotguns. Standard training requires only that they can stand and hit a stationary target 25 yards away. They have no training shooting on the run at a moving target.

Recently, some of the facilities, because of the more advanced attention to this issue in the last few months, have introduced a running man across the target where the standing shooter is allowed to have 10 shots trying to hit the target.

Guards have admitted that their training is so inadequate in the face of a real terrorist attack, many would simply use their guns to protect themselves while they escaped.

Additionally, nuclear power plant guards are severely out-gunned. Even the NRC's DBT assumes that attackers will be armed with automatic weapons and explosives. Yet many guards are equipped only with shotguns and revolvers.

Contrary to the ads in the Washington Post, placed by the nuclear industry lobbyist NEI, guards do not normally wear flack jackets nor carry semi-automatic weapons. At one-third of nuclear power plants, the guards only have access to shotguns that are locked up at a distant central location.

POGO strongly agrees with the Nuclear Security Act's provision reviving the OSRE program and requiring that mock attacks occur no less than every two years.

Chairman Meserve also mentioned that the NRC is in the process of revitalizing the OSRE process at testing facilities. I'd like to mention that the NRC has twice closed that shop down because they didn't like what they were finding out. And I would not, frankly, trust NRC, without congressional involvement, to make the decisions on how they're going to revive that office.

Anti-terrorism experts tell us that the worst enemy of any guard force is the daily grind of nothing happening. A simple solution is to add unannounced tests, which aren't happening right now by the NRC. Fast food chains...

CLINTON: Ms. Brian, you'll have to wrap up.

BRIAN: Yes.

POGO believes the goals achieved by federalizing could, instead, be accomplished to the following improvements. Security guards are among the lowest compensated employees. I spoke with one last night who was getting \$2 less an hour than custodians at his facility.

Guards must be given whistle-blower protections. Despite what the chairman said, only federal employees have legal whistle-blower protection. Currently utility and security subcontract employees do not.

The federal government's expanded role should be to provide independent oversight rather than managing security. And we strongly recommend taking the security oversight function out of the NRC.

I'd also just like to conclude that we support S. 1586 as it's intended to remedy some obvious failures in the ability of guards to protect against attacks.

CLINTON: Thank you very much.

Ms. Hastie?

HASTIE: Thank you, Senator Clinton.

I appreciate the opportunity to talk to you today about the current status of emergency preparedness...

CLINTON: Push the microphone a little bit closer to you, Ms. Hastie.

HASTIE: ... at commercial nuclear power plants in the United States.

I'd like to make three points today. First, commercial nuclear power plants have comprehensive, well-developed and regularly tested emergency preparedness programs. The full scope of regulation pertaining to our nuclear emergency programs would cover a length of about 28.7 feet. The bibliography alone for these plants is well over an inch thick. And I've provided a description in my written testimony of the comprehensive programs.

Currently, there is strong interagency coordination among the federal, state and local agencies and with the utility to carry out their specific response. And I believe that many of these federal agencies are under the control of this -- or under the oversight of this Committee.

Nuclear power plants have to participate in an independently reviewed, full-scale exercise every two years. And we have conducted over 1,000 full-scale exercises in the past 25 years. We provide training to local workers through the cooperation of state agencies, and that includes firefighters, police, medical personnel, ambulance personnel, school personnel, school bus drivers and even local farmers. These integrated training programs are an excellent way that we build trusting relationships with the local communities that surround our power plants and also credibility with our state and federal regulators and personnel.

Second point is that the emergency preparedness programs are founded on a strong scientific and technical basis. And this includes the two emergency planning zones around nuclear power plants.

In 1976 a joint EPA and NRC taskforce developed the planning basis for offsite emergency preparedness. The taskforce performed a detailed analysis of the full range of possible reactor accidents to determine the appropriate distances from the plant that should be used for planning purposes.

The taskforce received substantial input from all federal agencies and relevant state agencies that would be responsible for implementing these protective actions.

Following a two-year plus study, the taskforce concluded that it was highly unlikely that prompt protective actions for the public would need to be taken beyond the 10 miles. That study led to the 10-mile and the 50-mile emergency planning zones that are currently used today.

And we know our emergency response plans work, because emergency response plans developed by nuclear plants have been used for many non-nuclear emergencies.

Evacuation of 10,000 people from Cedar Rapids, Iowa, following a fire used the Duane Arnold plant. There was 17,000 residents in St. Charles Parish in Louisiana were evacuated following a leak from a nearby chemical plant using Entergy's Waterford 3 nuclear power plant plan.

We've had hurricane evacuations caused by a volcano at Mt. St. Helen's (ph). We've used Hurricane Andrew at Turkey Point. So we have tested these plans many times in real events. We have never had to use them for a nuclear plant evacuation.

And over the years, as new insights and experience regarding reactor safety have been analyzed, the 10 and 50-mile planning zones have continued to be found valid for our emergency preparedness programs.

And I am not aware of any new scientific or technical information, even post 9-11, that would support fundamental changes to the existing 10 and 50-mile planning zones.

My third point is brief. Continual learning is an integral part of each of our emergency preparedness programs. We have a commitment to excellence throughout the industry, coupled with continued training, self-assessment and testing that has produced a high level of preparedness.

In summary, in the past 30 years, the nuclear industry has conducted, as I said, over 1,000 full-scale graded exercises. We have evidence that our emergency preparedness programs are effective. And we continue to strive for new levels of safety.

I thank you for the opportunity today to provide testimony at this hearing. I am sure that everyone here shares a common goal and that is to protect the health and safety of the public. That's the commitment that binds us all.

Thank you.

CLINTON: Thank you very much Ms. Hastie.

Dr. Redlener?

REDLENER: Thank you, Senator Clinton, and Senator Carper and I'm also pleased to be here. And I'm anxious to be supportive of the Nuclear Security Act. And I'm so glad that it has been proposed.

As a pediatrician and as a public health expert who's been involved in public health for 30 years, I have found myself, since last fall, deeply involved locally, in New York, and nationally in a variety of efforts with respect to the public health in general preparedness planning for ongoing terrorism.

Specifically, among my most important concerns now has been the growing awareness of potential terrorist attacks on nuclear power facilities.

Clearly, the events of September 11 demand a re-examination of all aspects of the vulnerability and security of these facilities. The fact is that because of the potential human consequences of a successful attack on power plants, this issue represents one of the most important public health challenges of our time.

And here, in a nutshell, is what we know about the public health and health risks of nuclear attacks.

Depending on the specifics of the projected attack scenarios and the extent of damage to a reactor, its support systems and/or the spent fuel containment systems, immediate civilian fatalities can range from 100, or so, to 5,000 or more, plus long-term excess cancers from radiation exposure ranging at least into the tens of thousands.

Moreover, nuclear terrorism is in a special category of psychological horror even different from chemical and other kinds of violent terrorist attacks, because nuclear terrorism is evocative of the nightmare scenarios that we've lived with for decades and which first arose during the height of the cold war.

In addition to the human toll studies which have been done by many independent experts, other experts have also concluded that thousands of square miles could be contaminated and uninhabitable for years or decades under a variety of, at least, plausible nuclear plant attack scenarios. In some, the economic, psychological and societal consequences of such an event in a major population center would be almost incalculable.

For all of these reasons, it's imperative that we take necessary and prudent steps, like we would with any other kind of major public health threat, to reduce the likelihood of a successful act of terrorism against a nuclear power plant.

These are some steps that I believe can help us assure the public that we are dealing with this challenge preventively and effectively, and most of which are addressed in the legislation at hand. First of all, I won't belabor this, but I believe strongly that the security at

nuclear plants needs to be upgraded dramatically and immediately. And I think the pressure to demand an appropriately rapid time line is more than appropriate.

And the upgrade of the security needs to be commensurate with our new and totally different understanding of the capacity and ferocity and intelligence of the terrorism as we have seen it on American soil.

And I won't belabor that anymore, other than to say that I think, as a public health professional, and knowing very well what I think the public needs, I think whether it needs it practically or psychologically, federalizing the security forces at those plants, I think, is an urgent priority.

REDLENER: Secondly, all spent fuel rods should be stored in hardened, on-site, dry storage facilities, pending a more definitive solution to the challenge of permanent storage. Unlike the reactor core itself, which is in a hardened containment structure, the spent fuel in many plants, for example, the Indian Point plant that Senator Clinton referred to, is in an adjacent, comparatively lightweight structure covered with nothing more than a corrugated steel roof. A significant terrorist-induced explosion and fire could potentially release massive doses of radioactive material to the atmosphere and dry storage can reduce this risk dramatically.

Third, there needs to be a top-to-bottom revision and upgrading of the emergency planning process, with active federal oversight over that process. Planning for evacuation to date, and especially in densely populated areas, is extremely difficult. The grossly inadequate emergency evacuation planning process around the Indian Point facility is a case study.

The emergency evacuation planning zone of 10 miles is entirely too limited and is inconsistent with the potential expectations of damage and contamination that we know would happen.

Spontaneous uncontrolled evacuation in time of crisis well beyond the 10-mile zone could quickly result in chaos and paralysis of egress for people.

Permanent relocation for evacuees in the event of substantial ground contamination would be an extraordinary challenge.

Furthermore, children in school and in day care who need to be reunited with their parents, hospitalized patients, senior citizens, disabled persons, prisoners, persons refusing to leave the area represent some -- just some -- of the vexing real-world challenges not met by the current evacuation plans.

And finally, potassium iodide should be acquired and distributed on a point-of-use basis for a minimum of 50 miles from all the nuclear power plants.

I see my time is up. I know there's much more to talk about. I'm, obviously, available for whatever questions you might have.

CLINTON: Well, I want to thank all of the witnesses. And I know that other members could not stay. Obviously, the hearing went on longer than anticipated. But I think, on behalf of every one of our members on this Committee, I greatly appreciate your expertise, your testimony and the different perspectives that you have brought to bear on the issues confronting us.

I think it would be very helpful for us to be able to submit questions to you for the record. And I also would invite, perhaps, questions from the witnesses for other witnesses or for ongoing discussion. Because as one listened to this panel, you can see there's a very different perspective that I think is legitimately held, in good faith, but it is our job to try to sort it out -- to figure out exactly where we need to take action and encourage whatever steps are necessary to maximize the security of our nuclear power plants.

So I thank you very much for your testimony today. I look forward to the questions being answered that I know I will be submitting to each of you. And I wish that you would be -- all

of you -- on call for further consultation by members and staff because this is an extremely important issue.

And I don't think we can take anything for granted. No matter what worked in the past, I don't think we can take it for granted now and into the future. And we need the extraordinary commitment that each of you brings to this issue to help us sort out what we should be doing in the future.

And, again, I thank you. And I thank all of the audience who's been very patient. I've seen heads nodding, depending upon which perspective you agree with. But I think for all of us, we need to put aside pre-existing attitudes, beliefs, experience and take a new look at this, no matter what perspective we came in to the hearing with today.

And with that, the Committee is adjourned.

END

"The Early Show," CBS, 6/10/2002

This morning, we're kicking off our weeklong Kids Connection series with a look at the mental health of children. Senator **Hillary Rodham Clinton** decided to make this issue a priority after so many children suffered psychological trauma after the September 11th attacks. She's here in Manhattan this morning along with Dr. Harold Koplewicz, director of the New York University Child Study Center.

Good morning to both of you.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Jane.

Dr. HAROLD KOPLEWICZ (Director, New York University Child Study Center): Good morning, Jane.

CLAYSON: Senator Clinton, briefly explain for us what today's hearings are all about.

Sen. **CLINTON**: Well, Jane, we have learned that a very large number of our children are suffering from the effects of 9/11, not only those who were in the schools that were evacuated and not even those who tragically lost a parent, a sibling or someone else close to them, but many children who feel more vulnerable, more anxious, more depressed about the safety of their world. And what we're going to be doing today is not only exploring the facts behind these rather disturbing numbers about the children who are suffering, but trying to figure out what we do about it and how we have a better coordinated response here locally and at the national level.

CLAYSON: Let me show you the results of a study that, of course, you know about, conducted by the New York City Board of Education. The numbers show that 10 percent of kids in grades four through 12 are suffering from some sort of post-traumatic stress disorder; 10 percent are suffering from anxiety; 8 percent are depressed; 15 percent have a fear of--of public places. Were you surprised by those numbers, Senator?

Sen. **CLINTON**: Well, I--I was not surprised, because I know from the Oklahoma City experience and other very traumatic violent events here in the United States and around the world that that is unfortunately the pattern, and what we're trying to do is to really face up to the fact that our kids are vulnerable. They're vulnerable to feeling that sense of insecurity that really undermines a child's confidence and trust and, you know, enables a child to do well in school. And we also know that we have some real challenges here that we can address if we have a more coordinated approach, and that's what Dr. Koplewicz and I

are going to be exploring at the hearing today, trying to figure out how do we better educate parents, teachers, child care providers, doctors and others so that they can recognize the symptoms and then how do we make sure there's help there.

CLAYSON: Dr. Koplewicz, Senator Clinton mentions that coordinated approach. What can be done to help kids with the aftereffects of 9/11?

Dr. KOPLEWICZ: I think the most important part of this is to realize that this is a public health problem and we know how to take care of public health problems when it's polio or tuberculosis but we have to remember that just because this is a mental disorder, it's not any less tragic or potentially lethal. Kids who suffer from these anxiety, depression, post-traumatic stress disorder symptoms are more likely to have difficulty with school attendance, they have more--are more likely to abuse substances and alcohol and they are more likely to have suicidal thoughts, attempts and completions. This is a serious problem. We should really be screening kids who were exposed and we should alerting teachers and parents about what the warning signs of depression and anxiety and post-traumatic stress disorder are, in the same way we did that with the AIDS education program or now with breast cancer awareness.

CLAYSON: Mm-hmm. Senator Clinton, from your conversations with kids in New York City, are you getting the feeling that they're having problems that are essentially being ignored?

Sen. **CLINTON**: Well, I think it really is a--it depends upon where the children are, how sensitive and attuned their families are. Certainly many children are getting support and help; where they need counseling or treatment they are getting that, as well.

But we have two big problems. One, there are many families that just don't recognize that many children who don't know how to even explain what their problems are. This is largely affecting elementary school children primarily. And secondly, we don't have the resources in place. We really don't have the kind of public health resources that are needed to try to provide support for these kids. So both we have to raise awareness and educate ourselves and secondly we have to make sure we have the resources there.

CLAYSON: Very briefly in our final seconds here, Dr. Koplewicz, what are the long-term implications of not getting assistance for these kids?

Dr. KOPLEWICZ: Well, Jane, I think the most important part is that parents have to ask their kids how they're feeling, because frequently these are the silent sufferers. These aren't your rambunctious kids who are bouncing around the class or causing trouble at home. But left untreated there are many consequences that will affect their lives, whether it's productivity in school, whether it's being able to have fun with friends, whether it's the ability to concentrate. So parents really have to talk to their kids when they see a change in their behavior whether it's sleep, whether it's schoolwork, whether it's concentration or whether it's just enjoying the things they usually enjoy. And unfortunately this doesn't stop at the city line. This is something that can affect children throughout the United States, especially when we keep hearing warnings all the time.

CLAYSON: Well, Dr. Harold Koplewicz and Senator **Hillary Rodham Clinton**, it's good to see you, and good luck today with the hearings. We'll check back with you.

Sen. **CLINTON**: Thank you, Jane.

Dr. KOPLEWICZ: Thank you.

CLAYSON: All right. Thank you. 8:14 now. Tomorrow on our Kids Connection, we'll take a look at how birth order can have a significant impact on the personalities of your children.

Coming up next, best-sellers do battle at the box office as "The Sum of All Fears" tries to hold on, to the women of "The Ya-Ya Sisterhood." We're back with more on THE EARLY SHOW after this.

(Excerpt from "The Sum of All Fears")

(Announcements)

U.S. SENATOR JAMES JEFFORDS (I-VT) HOLDS HEARING ON HOME-LAND SECURITY DEPARTMENT, 7/10/2002

CLINTON: I would, Mr. Chairman. Thank you.

JEFFORDS: Without objection.

As you know, the one independent agency that would be entirely absorbed by the Department of Homeland Security is the Federal Emergency Management Agency, which you have spoken about.

As I mentioned in my opening statement, I am concerned about how this will affect FEMA's core mission. How will FEMA'S core mission change if the agency is included in the new Homeland Security Department?

RIDGE: Mr. Chairman, I would tell you that I'm familiar, from both personal experience, as well as legislative experience, with the FEMA. As a matter of fact, working with former Senator Stafford, helped rewrite the Stafford bill. Matter of fact, I think we were in the House together when it was done. Recall you were very supportive of that effort.

But I also recognized way back then that their response to a couple of tornadoes that bounced around my congressional district was less than satisfactory. That's why Senator Stafford and I worked with our colleagues to make those changes.

But since that time, as you pointed out in your opening remarks, FEMA has become a different agency. There has been a cultural change. And under James Lee Witt and under Director Allbaugh there have been very positive changes and people are very, very comfortable with the relationships they have with the FEMA agency.

Mr. Chairman, I think it has the core competency and the expertise to take on the additional mission, and I believe they complement one another, because the kinds of things that the new Department of Homeland Security would be working with FEMA to do in support of their mission has direct application to their traditional mission of responding to a natural disaster.

If we improve the interoperability of their communications, if we make sure that there's testing and exercises so that all first responders show up in response to a terrorist incident; I mean, if the practice sessions are about terrorism, you'll improve the communication and the collaboration among the first responders, then whether they show up at a terrorist incident or a natural disaster, you've enhanced the capability to respond.

So I think the president has looked at FEMA, recognizes its enormous value, understands about 85 percent, 90 percent mission is related to natural disaster recovery and mitigation, but also understands it has core competencies and relationships with the state departments of disaster assistance center, has natural relationships with first responders. And many of the programs in the Stafford Act, the individual assistance grant, the small business loans, those kind of programs are at play in New York City right now in trying to respond to some of those needs of that community, those citizens and those families.

So I think the president believes core competencies, expertise, already a strong relationship with the states and the local government, already a great relationship with the first responders, let make it a more muscular, robust agency. As you know, with his initiative, and with your leadership, in excess of \$3 billion would be going to the Federal Emergency Management Agency, and if you improve their communication, their coordination, their skill level, it's just a natural add-on and value added to their ability to respond to a natural disaster. So it becomes a very vigorous, robust, all-hazard response team.

JEFFORDS: FBI Director Robert Mueller has stated that the FBI would not be included in the Department of Homeland Security because of the agency's many non-counterterrorism responsibilities. FEMA also has significant non-terrorism responsibilities. To preserve FEMA's primary focus on responding to natural disasters, I firmly believe that the agency, like the Coast Guard and the Secret Service, should remain a distinct entity within the new department.

Was this a consideration when the administration crafted its proposal? And can you explain any concerns you may have with this approach?

RIDGE: Well, I think it is the intention, Mr. Chairman, of bringing the full agency in and including, I think, the Office of Domestic Preparedness from the Department of Justice within that FEMA to just bring the infrastructure and the leadership and make it a unit within the new Department of Homeland Security and then building on that infrastructure that already exists.

JEFFORDS: I'd like to try to understand the procedure details of your proposal for FEMA. Currently, if an event occurs that is beyond the capacity and the capability of a local community and the state to respond to, the governor may request a major disaster determination. The director of FEMA reviews the governor's request and forwards a recommendation directly to the president. The president then decides whether or not to declare a major disaster, thereby authorizing federal government assistance.

Using last week's flooding in Texas as an example, how would this process work under the new department?

RIDGE: Mr. Chairman, the question is a very appropriate one and a mechanical one, but underlying the question is, we need an emergency declaration quickly, how do we align, take FEMA, put it in this new agency to make sure that we can turn around on the request? And right now we don't see any diminution in time to make the request to the undersecretary virtually on the desk simultaneously with the secretary of homeland security and forward that immediately to the president of the United States.

So I'm very familiar with the procedure, I've made several applications as governor myself. The new secretary of homeland security I think would have to address to your satisfaction that fundamental principle to make sure there's no lag time between the period that the undersecretary gets it and reviews it and the request being made to the president. And I feel fairly confident we can make those kinds of assurances to you, and if we need specific legislative language to get it done, we'd like to work with you on the language.

Time is of the essence and speed is very important. I think that goes to the heart of your question. And we don't want to put any roadblocks, bureaucratic roadblocks in a quick turnaround and a quick decision.

JEFFORDS: Senator Smith?

SMITH: Thank you very much, Mr. Chairman.

SMITH: Governor, Administrator Whitman recently, about five months ago, undertook a study -- an internal assessment at EPA in terms of how one might be prepared to deal with an attack, to help determine EPA's strengths and weaknesses. Could you address, A, what some of those strengths and weaknesses were, and how you're planning to address them?

RIDGE: Yes. Well I think several of the senators, including yourself, have commented publicly about that internal review. And I think it's very appropriate -- actually it's laudable and I think very important that once an incident occurs, and once your team has responded, you go back and take a look at lessons learned.

I think as we have to continue to review both our capacity to respond, the timeliness of the response, and the effectiveness of the response. So in that process, I think Governor Whitman realized that her agency was severely stretched in terms of communications capabilities, personnel capability and the like.

Since that time, I believe she has built up, hired additional personnel, maybe as many as 75 additional people, to enable to EPA to respond to more than one or two events. And you do worry about simultaneous events, and we did have several on 9/11. I think there has been an enhanced training component looking to acquire and work with first responders about the interoperability of their communications. That was a serious problem at -- in New York. Candidly, as we assess other metropolitan areas, it's a serious problem everywhere, in the interoperability of communications.

So I think Governor Whitman took a look at personnel, took a look at equipment, took a look at training, and decided, "We need to do more, we need to do better," and is in the process of doing that.

Now I also think she has made a request in the 2003 budget, my recollection, to expand its work -- expand its ability to respond to disasters. Take that disaster response mechanism -- as you know, there's a national response team and I think 10 regional teams. I think there's a request for about \$75 million so she can build up that capacity.

SMITH: In the proposal, your -- the Office of Domestic Preparedness has moved out of Justice and into FEMA. At first blink, it seems to me to be the right thing to do. But there had been some -- there has been some criticism on that. Would you just elaborate on that a little bit as to your rationale for that?

RIDGE: Yes. The Office of Domestic Preparedness within the Department of Justice has, for the past couple of years, with bipartisan support of members of the Congress, have been doing some very good work with first responders to include the law enforcement community.

In an effort to consolidate that effort and outreach from the federal government to the first responders, and particularly to the law enforcement community in non-traditional law enforcement roles, we just thought it would be better to blend the operations so that again, first responders can take a look at one agency, one department for their support for training, exercises, equipment and the like.

Again, we've reviewed this matter with the governors, and we've reviewed them with mayors who all are very attracted to the notion that instead of going to four or five different departments to get the emergency training and response money and exercise money and equipment money, they can go to one department based on a statewide plan, and draw down funds consistent with their statewide plan.

So that is the rationale for that. They do a good job, they are moving in to take that ability -- move it into FEMA, move it into the new Department of Homeland Security, additional personnel with a lot more money to train and work with first responders. That's the rationale.

SMITH: I mentioned infrastructure protection in the U.S. in my opening statement regarding the Homeland Security Office. And there's a lot of questions about who should have the primary responsibility for infrastructure protections. Many members have mentioned it, such as water treatment facilities and so forth. Would you just briefly give us your view on where you are headed on that?

RIDGE: That was interesting, Senator, because you and Senator Corzine basically alluded to it in your opening statements. As the president has submitted the proposal, this is the theory and practice how we believe it would work.

There's no single place in the federal government presently where someone can take a look at the threat assessments generated by the different intelligence-gathering agencies, and then take a look at the critical infrastructure that we have in this country. And 85 to 90 percent of it is privately owned.

And then depending on the credibility of the threat in the assessment with regard to the vulnerability, then say to either that company, that economic sector, that community, whatever the potential target might be, "The threat's credible, you're a very critical piece of this infrastructure, but we don't believe that the protective measures that you have, the security measures that you have enhanced are the best means of dealing with this potential threat." And then, once that assessment is made, work through the EPA, with the water companies or the chemical companies, work through the Department of Energy, work through the Nuclear Regulatory Commission.

So the collaborative feature of this department would be, one place we get the threat, match it against the vulnerability, make a determination whether the vulnerability is real and what we need to do about it, and then work with the respective agency to see that it gets done.

We have had some interesting discussions again informally with trade associations and businesses that represent different sectors of the economy. And I think one of the things that is very interesting, and a couple of them actually volunteered, as we go about determining best practices and working on those protective measures, one of the first people we ought to move in to make sure that they are satisfied locally, whether its the water facility, the chemical plant or whatever, one of the first groups of people we ought to bring in should be the first responders to help assess whether or not they believe the protective measures are substantial enough or not. Since they're to be the first ones to respond, we think they ought to have a role there as well.

JEFFORDS: Point out, there's a vote scheduled at 3:15, so hopefully we could be able to conclude by that time.

JEFFORDS: Senator Corzine?

CORZINE: I think you really have tried to address where I was going to go, but, you know, there have been a number of assessments with respect to the chemical plant/oil-refining issues already established. And I'm concerned about how we're going to use those assessments already in place, or are we going to have to do additional assessments. I do understand identifying and matching these off to a sensible program. But there are some clear vulnerabilities that are identified by agencies over a significant period of time.

In fact, if I understand it correctly, EPA was about to come out with a proposal with regard to dealing with chemical plant facilities. For some reason it was withdrawn in June, or at least we're under the impression of that.

How are you going to put together what is already in the public forum, relative to how we get on with this? And as it relates to chemical plants, do you think there is a joint role between the new department and EPA? And do you have a vision for that as we go forward?

RIDGE: Senator, very appropriately you've identified one of the challenges that we have in this country. The fact is we have a very diversified economy and our enemies look at some of our economic assets as targets. And clearly, the chemical facilities are one of them. And we know that there have been reports validated about security deficiencies at dozens and dozens of those.

As part of their ongoing work within the Office of Homeland Security within the White House, we've been working with an interagency group, primarily EPA, but other agencies involved as well, and the chemical industry and other groups to take a look at overall security concerns, protective measures, look at best practices, try to set standards. And then work to see if, frankly, once we decide what needs to be done, if, in fact, it's done.

We are hoping to avoid, candidly, the need for legislation. We take a look (inaudible) conversation with some of the leaders of the different sectors of the economy. One, they've got a fiduciary responsibility to the communities in which they house these facilities to do everything they can to ensure their protection. They've got a responsibility to the men and women that work there. They've got a responsibility to their shareholders. And we've talked to them about an enhanced responsibility of the private sector to take on the additional expense associated with increased security and increased protection.

We are close to completion of that interagency process. And I suspect that one of the reasons we knew the EPA -- we started several months ago -- the EPA was working independently, as it should. One of the reasons it's been slowed down is because of the work they've been doing with us.

So that's where we are specifically on the vulnerability of chemical facilities in this country.

CORZINE: One of the -- sort of, in between a statement and a question -- one of my concerns is is the lowest common denominator issue that can arrive. It is quite possible that some chemical plant facilities or dangerous facilities would follow best practices on ongoing standards. We see that in financial reporting.

RIDGE: We do.

CORZINE: We also see significant elements of our economy that don't always follow the rules and nor are they always taking the public interest into full account.

And one of the reasons that I would ask your thoughts on why you don't think we need legislation in this area when, in fact, we don't always see a consistent pattern to the lowest common denominator, and therefore, the public can have concerns about whether these issues are actually addressed if we don't have statutory responsibility, statutory action.

RIDGE: Senator, I think your concern is certainly well-founded. Because the vulnerability and the prospective damage done to people, life, limb, human damage, property damage, psychological damage because of the vulnerability of our chemical facilities is real.

But having said that, there is also, I think, a different environment post-9/11, an acceptance of -- I'm not going to say across the board, because I don't know yet -- of greater financial responsibility from within the corporate community to enhance their security. They have a lot of reasons to do it.

And one of the interesting things that I think we should continue to work with you on, and one of the legislative means by which we might be able -- maybe not legislative means, but a market-oriented means by which we might be able to affect some of these changes is working with the insurance industry to see that there's a differential -- there's some discussions we've had with the insurance industry based on the recommended protective standards that EPA may put out there saying to a chemical facility, "These are the kinds of things that you need to do." There may be a variation on insurance rates as it relates to their willingness or their ability to affect those changes.

I would say to you, we'd like to avoid legislation, Senator, but we got to see what happens. We got to keep all our options open.

CORZINE: I'm not sure what the downside of the legislation is, but the people are going to perform these roles anyway.

RIDGE: I am not equipped to tell you today the specific recommendations that are going to be made and whether or not they will be fully implemented across the board.

RIDGE: I feel fairly comfortable in telling you that no one is interested in the least common denominator. And there has to be some kind of enforcement mechanism.

We'd like to -- we can do that conversation with you just to see what the enforcement mechanism is. If we can do it without legislation, fine. But I do think, depending on what the recommendations are and the outcome and the acceptance of those recommendations, we're not going to foreclose the legislation. It may be we have to use the stick rather than the carrot.

JEFFORDS: Senator Warner?

WARNER: Thank you.

I'm going to refer to this opening statement, and over here you've got information analysis and infrastructure protection, telecommunications and cyber-security.

First comment on cyber-security: Some three years ago, when I was chairman of the Armed Services Committee, I became quite interested in this subject and the fact that there are very few young people out there seeking the education to equip themselves to go into this complicated, highly technical field.

So I drew up a piece of legislation, it eventually got through the Congress. It set up a program, sort of a first cousin to a GI Bill. If a young person would commit to four years of obligated service working with the Department of Defense, as a civilian, or other agencies, I guess we got down to three in the final analysis, that we would fund fully their program.

And we got it through Congress and I was very pleased and then, all of a sudden, the appropriators cut it down to just \$20-some million. Well, that was a bit disappointing, but I renewed the efforts the next year and we finally got it up to double the amount of money. Just that little bit.

All at the same time, the Congress was voting -- now mind you, you've got \$20 million for this program, then I think I got up to \$40 million -- Congress was voting \$8 billion to \$9 billion in Pell grants.

So I hope the new secretary begins to look where the money is and put it behind, whether it's cyber-security or the other desperately needed areas of education, to equip the type of people to come in to your organization, not just now but in successive generations. Just a little (inaudible).

RIDGE: Appreciate that, Senator. You should know that that is of concern of the adviser to the president for cyber-security, Dick Clark.

WARNER: He was behind it, too.

RIDGE: Yes. And we've had that conversation and (inaudible) greater action down the road within this Department of Homeland Security. He sees that as a very unique educational niche, but it's also a very critically important security niche, and there just aren't that many men and women interested in going and getting the technical education around securing the Internet. So you have a gap there, and we have to try to fill it.

WARNER: A scholarship program. Because after they've fulfilled their obligated service, there are plenty of jobs out in the private sector. So, it's just a thought.

Second, military bases: No direct reference in your document here to that, but CINCNORTH is the new command that we're creating here in the Congress. Will you be in tight coordination with that officer who will have at his command all of the military assets necessary to respond to an attack on the United States here in the homeland?

RIDGE: Senator, I think first of all, as we take a look at the reorganization effort, we think what Secretary Rumsfeld has recommended adds enormous value to the new Department of Homeland Security to coordinate in advance some of the work it would do if it had to utilize Department of Defense assets.

I think the relationship will not be from the Department of Homeland Security to the general directly, but will be from the civilian level, from the secretary to the secretary.

But the fact of the matter remains is that now that under the unified command plan you do have a North American command, we can sit down with and talk about how we'll use different assets under certain circumstances. It really adds a great deal of enhanced protection and ability to the new Department of Homeland Security.

WARNER: One of that will be interoperability of communications, I hope. You'll have to put a high level of effort there.

I'm going to read from page three, again the same section. "In short, the department would, for the first time, merge" -- now that means bring together all the parts -- "merge under one roof the capability to identify and assess threats to the homeland."

Now at present some of that threat analysis is done in CIA, DIA, FBI. Are those components going to be pulled out of those agencies and merged into yours? What does that word "merge" mean? Are they going to lose their capability? Will there be one structure only in homeland defense, or will there be parallel structures?

RIDGE: Senator, there would be no capacity within the Department of Homeland Security to collect this information. It is not a collection agency.

The merger of the information or intelligence will be the reports and assessments from the CIA, the FBI and the other collection agencies as they relate to domestic terrorism. But the CIA and the FBI and the other agencies will continue their collective function.

Now, of course, Customs, INS, other agencies that, if Congress approves, become part of the Department of Homeland Security, will be in the collection business. But we will, there will be no collection from the CIA or the FBI. They'll just send us over the reports for assessment.

WARNER: I understand that. But the analysis "merge under one roof the capability to identify and assess" -- assess means analysis -- "threats to the homeland."

WARNER: So supposing the director of the CIA has a set of facts, which he shares fully with you. He has one opinion that that doesn't amount to a threat, say, that you have to issue a warning. You feel differently. Director of the FBI may have a somewhat different view. Are you the final arbiter of what's to be done?

RIDGE: I believe at the end of the day, Senator, it's a very appropriate question, because the president wants to retain within the office of the White House an assistant to the president for homeland security to coordinate the efforts among the agencies. And if it ever came to a point where there was an interpretative conflict, where we had Homeland Security looking at the reports and assessments and differing from the CIA or the FBI, I think it would be resolved in that fashion.

Ultimately, at the end of the day, we want to take that information to reduce vulnerabilities. They're using that information to reduce threats. My sense is that, if our assessment of the information says we ought to move to reduce vulnerabilities, we should have our way. But if there is a conflict, obviously, there's a mechanism within the White House to resolve it.

WARNER: All right. Now, what is that mechanism, again, to be?

RIDGE: Ultimately, the tie breaker is the president of the United States. But you try to resolve that before you get there.

WARNER: Yes, but he could well be off somewhere and the vice -- but I understand the command and control there. But it seems to me you got to act quickly. Now, you could have legitimate disagreements, but it's important that it move swiftly, that we not have to all get limousines and roll over to the White House and sit around a table. We've got to do it quickly.

RIDGE: Time is of the essence. You're absolutely right, Senator. And in my experience since October 8th, when I was sworn in, just dealing in a personal way with George Tenet and Bob Mueller, one, there has been a unity of effort. There's been no disagreement as to what should be done or even the application of the facts.

But under those circumstances, I think you can well appreciate the fact that these men and women -- this administration and future administrations lean always toward security because it's an enduring vulnerability. And it's resolved in favor of being -- doing something to make America safer.

WARNER: I think my time's up. Take a look at that sentence.

RIDGE: I will.

WARNER: Because somehow I understood it as you've now stated in this hearing. But somehow this sentence, I began to be puzzled.

Now, you do not deal with cyber-security in this prepared statement for the committee. What is the basic document to which we go to refer for expansion of points you've made in here?

RIDGE: Senator, I'd be pleased to send you up a document that deals specifically with cyber-security. There are...

WARNER: And other items that are not covered here. Is it the president's proposal in the blue cover that came up? Or has that been replaced by a fuller document?

RIDGE: I think there is a fuller document, Senator, that talks about the cyber-agencies that will be moving in -- that we're going to recommend to be moved into the new department. And it'd be my responsibility to make sure that you get it today.

WARNER: Well, that's all right. Thank you very much.

JEFFORDS: Thank you for very excellent questions, Senator Warner.

Senator Wyden?

WYDEN: Thank you, Mr. Chairman.

Governor, as you could tell from my earlier comments, I'm concerned about the whistleblower protections in the proposal. You have cooperated with me in a number of areas and I hope we can get some changes in this area.

It was clear, for example, from what happened with Colleen Rowley that that was absolutely key to getting an urgent set of communications to the top of the FBI. And I read the administration's proposal on the Homeland Security Office to really be a rollback of whistleblower protections. It reads that the secretary of homeland security could choose how, or in effect, whether someone would be able to get the legal protections that are available at other federal agencies. And I think we ought to be strengthening protections with respect to whistleblowers. And I would just like to see if you're open to some changes on this.

I sit on the Intelligence Committee. I'm anxious to work with you on the national security implications. But this is one of the best ways to make sure that the public isn't in the dark and that we protect national security.

RIDGE: Senator, to your point, I would look forward to the opportunity to work with you again for very positive clarifying language gaining the results that we both achieve. And that is making sure that, as we set up this new agency, and as it goes forward, men and women who have some ideas that are eventually critical of how things used to be and have a better idea of how things should be, be, number one, considered patriots all, because their mission is to do whatever they can to enhance security.

I would tell you that earlier today the president addressed about 3,000 men and women from the federal work force. I had the opportunity to speak just briefly before the president ensured them that they will have that protection. And look forward to working with you and your colleagues to see to it that it's consistent with the protection they've enjoyed in the past.

WYDEN: Well, that to me is the bottom line. It seems to me, at a minimum, they ought to have the protections that are available to other federal employees. And if you read the proposal now, this certainly isn't the case the way it reads today. And we do need to work together in a bipartisan way on it.

The other question I want to ask also relates to the public's right to know. And that deals with the Freedom of Information Act exceptions in the legislation. Now, you heard me commend you and your office with respect to the work you've done with us in terms of technology. And it's important we get the ideas from the business community in particular with respect to how to tackle this issue.

But again, I think it goes way too far to create all these additional exemptions from the Freedom of Information Act to make sure that the public has confidence in what the government's doing. I mean, already there is a national security exemption from the Freedom of Information Act.

WYDEN: And I would just like to see, for the record, if we could work with you to again hone down these exemptions, because I think it would be a bad message to be sending right now.

RIDGE: One of the experiences we've had, Senator, dealing primarily with the private sector during the past couple of months, is their reluctance to share proprietary information with regard to their facilities, the security measures, a variety of other things.

And what we were looking for in drafting this legislation -- and of course we want to work with you on it -- is to provide a limited exemption for information that's communicated voluntarily about their own self-assessments of their own facilities. And it's not the kind of information you necessarily want to put on the Internet. You don't necessarily want to show your own weaknesses.

But we do feel that it's important, if we're to have comprehensive look at our critical infrastructure, we need those who are responsible, who have ownership of that infrastructure and responsible for its security as well, to be able to share with us, from their perspective.

We may have a different point of view. We may conclude they haven't gone far enough to respond to that vulnerability. But that is a limited exemption that we're looking for.

And, again, the president sent it up with an idea that we need to work with members of Congress to address those concerns. And we'd welcome the opportunity to try to find language that satisfies your interest and the public's right to know, but also the president's interest and the country's interest not in giving the terrorists a road map to identifying vulnerabilities.

WYDEN: I support that. I only want to note for the record, Governor, that the FBI -- the head of the National Infrastructure Protection Center says that the protections already exist to do what you're talking about. So we've got people in law enforcement who are already saying

that the protections exist to get the information from the technology leaders, get the information from the business community, get the information about infrastructure.

And I just want to work with you so that we don't open up, you know, new loopholes. Because if the public's kept in the dark, if whistleblowers don't have existing protections, that's going to make it tougher for us to tackle the terrorists that you're going after and I want to support you on.

RIDGE: Good. Well, we're going to make sure that the whistleblowers have the protection, and we're going to work with you to make sure that the information that's volunteered from the private sector is the kind that should be protected and in doing so protect the broader right of the public to know.

WYDEN: Thank you.

Thank you, Mr. Chairman.

JEFFORDS: Senator Clinton?

I'm going to go over and vote and be back. We have another member that wants to participate. So I will exit temporarily and be back.

CLINTON: Tell them that I'm coming, Mr. Chairman.

Governor Ridge, I want to start by thanking you for the extraordinary cooperation that you've provided on behalf of the needs of New York. I greatly appreciate it and I look forward to working with you as we develop and pass this important legislation.

I wanted to go back to a point that Senator Smith made, and that is the Environmental Protection Agency's report which was first reported in the Daily News.

And this, lessons learned in the aftermath of September 11th, 2001, I think is extremely instructive and I hope that we will be getting a full copy of it here in the committee and we'll be able to hold a hearing about it.

I commend the EPA, and I've told Administrator Whitman that the kind of honest assessment which was undertaken by the EPA is exactly the right attitude. And it should serve as a road map for what we need to address going forward.

But it is a little bit daunting to read this honest assessment, because it states, among other things, that, "The EPA is not fully prepared to handle large-scale NBCR attack. Agency information, experience and equipment is insufficient to respond with confidence." Closer to home, with respect to our ground zero air quality experience, the report says, "The dissemination of EPA's health-related sampling results to non-EPA front-line responders was delayed for at least two weeks."

I bring this up because I think that the challenges that the EPA is honestly laid out for itself are not only specific to that agency but will be found to be faced by other agencies that you're about to merge into the department, as well as others, like the FBI and CIA that are staying outside.

And I'm wondering, since the EPA is not being merged, what are the plans for coordinating the specific functions that the EPA currently undertakes with the mission of the new department? How will that be accomplished and what are your plans for making sure it is?

RIDGE: Well, as you know, Senator, the EPA has -- again, is one of those agencies that has many, many missions. And we took a look at the EPA just briefly, but there are just so many other things that it does, felt that its primary mission was not homeland security. I think they do -- they respond to maybe 30,000 chemical spills a year.

But they do have a very important and prominent role to play with us, to play with the Department of Homeland Security. One is the vulnerability assessment, one is the

response, one is working with the sectors, the water, the chemical, and the other economic sectors to do -- develop standards of protection.

And, again, this'll be -- could very well be formalized once the new department is established by a memorandum of understanding or an executive order.

RIDGE: But clearly as we go about dealing with the vulnerability assessments and response mechanisms, I think there's just to be a very close, collaborative working relationship.

I can't define it more specifically than that at this date, but I expect that the new secretary of homeland security would try to create, in advance, the kind of working relationship he or she would need in response to an event.

CLINTON: And would it be fair to assume that that will be the same relationship you'll have with the Nuclear Regulatory Commission?

RIDGE: I think it's important, because, as it was noted in the remarks earlier, the new unit, Senator, that has -- matches threats with vulnerabilities will work with these agencies on the protective measures, and maybe look to these agents to use to oversee that the protective measures are done. I mean, we're working with the EPA on the standards of protection for chemical or water plants, work with the NRC for standards of protection on the nuclear facilities we have around the country, work with the DOE where appropriate.

So I think it is the intent of the president that this is the unit that takes a look at the vulnerability, that's information that is passed to this new department by these agencies and through work with the private sector. But then you go back to those agencies. "These are the standards. Are they satisfactory to you? They should be part of the oversight and enforcement mechanism as well." I think that's the collaborative work that we anticipate.

CLINTON: One of my concerns, and you and I have discussed this, Governor, is that our front-line soldiers in this homeland security front are our first responders. And we passed out of our committee the first responder legislation that the administration had requested. I am still, however, concerned that we are not putting enough focus on getting the funds directly to the cities and the counties that are on the front lines.

I understand completely the need for state planning. And, you know, I respect greatly the role of governors and former governors, having a close relationship with one who has served for 12 years. So I know that there are a lot of functions that the state has to undertake.

But I really believe that, at the very least, we need some kind of formula that guarantees dollars end up in the hands of the people on the front lines.

And I also am very concerned that we don't -- we're not giving enough flexibility. Just as the department wants flexibility and the use of personnel and compensation levels, I think this homeland security money that goes to first responders also needs to be more flexible, because as I've traveled around my state, you know, the needs in Buffalo are very different than the needs in Watertown or in New York City. And I believe that we should take that into account with the dollars that the federal government provides and I would hope that we can continue to look at that as a need that is not yet being addressed.

RIDGE: Senator, I would tell you that you echo the concerns -- continuing concerns of our friends who serve as mayors and as county executives and Governor Carper and I, and you know from your personal experience, sometimes there's a little tension between the statehouse and the local communities. And I think we have got it worked out, that a smaller percentage goes directly to the statehouse. And I think the bill that passed out of the committee said a minimum of 75 percent should go to the local communities.

And I understand why the mayors and the county executives and the police and the fire and emergency responders, in a respectful way, once they participated in a plan, they've decided what their priorities are. They don't want that money channeled through the state,

so that the state legislature, kind of, undoes the -- unties the plan, goes back in and sets their own priorities rather than the local communities priorities.

So I -- we've made a commitment to work with them and members of Congress who expressed the same concern, that once the bill is passed, once those dollars are out there, once we determine what that percentage is, that within a certain period of time, according to the plan, the money is filed right down to the local communities.

And I think that from a mechanical matter that we can work out, I know you have emphasized it on several occasions with prior conversations and I want to work with you to make sure we get the language to our mutual satisfaction, because we have made the commitment, the president's made the commitment as well.

CLINTON: The only point that I would add to that, Governor, and I'm very grateful for your comments, is that the legislation so far prohibits use for these funds for compensation in any form. And I think that's a mistake.

I think that flexibility needs to be available, whether it's a funding by a governor, a funding by a mayor that can then be held accountable. But the biggest problem we've got in our cities, and again speaking for New York, that are in deficits, a state which is in deficit made much worse because of the attacks on 9/11, is that we need funds that can be used to actually pay our HAZMAT teams. You know, not just equip them and give them better communications, but, you know, make sure that they are going to be out there and deployable.

So again, I just would respectfully request that at least we provide permissive language. Right now it's prohibited and I think that's a mistake. Because I think the flexibility that we want should at least be permissible. Maybe there has to be some requests that goes up to the department by the governor or something, but some mechanism that can trigger that money to be used for personnel as well as other purposes. Thank you.

"Wolf Blitzer Reports," CNN, 7/25/2002

BLITZER: Another major security concern since September 11th, the nation's nuclear facilities. Senator **Hillary Rodham Clinton** is co-sponsoring legislation that would increase security and emergency readiness. Senator Clinton joins us now from Capitol Hill.

Senator, thanks for joining us. We learned, as you pointed out, that commercial airliners can be weaponized in a very deadly way on September 11th. You're worried that these nuclear power plants around the country can be weaponized in a more deadly manner right now. What steps are you proposing that have to be taken right now to prevent that from occurring?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, Wolf, you're right. I think since September 11th, we've all been asking a lot of hard questions that we never had to even think about before.

And today we were passing out of our committee, the Environment and Public Works Committee, the Nuclear Security Act of 2002 that will increase the security at our nuclear power plants, will really force all of us -- the Nuclear Regulatory Commission, the owners of the plants, those who provide the security -- to go through more intensive training, to look hard at the possibility threats that they face and to come up with answers as to how best to

deal with them, to look at the zone that is around nuclear power plants to determine, you know, what needs to be done to improve the safety and security of the people living near nuclear power plants.

I also included an amendment, a Dirty Bomb Prevention Act of 2002, to start keeping track of the radiological material that we use in commercial and academic institutions and hospitals to provide radiation therapy.

So this was a good start. It's not all that perhaps we would wish for, but we came up with a good piece of bipartisan legislation that sends a very clear signal we need to be more attentive to our nuclear power plants.

BLITZER: Is there one or two steps the federal government can take right now, within a few weeks, that will make those nuclear power plants more secure?

CLINTON: You know, Wolf, the nuclear power plants have a very high level of security right now. We also passed out the Chemical Security Act because we have a lot of chemical plants that are not nearly as secure as our nuclear power plants. But when it comes to nuclear power, the chances of a disaster are so huge that we have to do everything we can to prevent it.

And what we're asking for are more regular force-on-force terrorist mock exercises, taking a hard look at every possible threat and coming up with solutions through a federal task force and assigning a federal safety coordinator to each plant. We're doing, I think, what we need to do to provide more security on the ground for these plants.

BLITZER: But Senator, as you well know, those security personnel at those reactors are not even federal employees, and many of them don't necessarily have the training, the background checks that are required. Are you taking steps to change that?

CLINTON: Yes. In fact, we have a new set of requirements for security. We couldn't get them federalized. You know the fight we had over federalizing airport security. My legislation originally called for federalizing nuclear power plant security. We just could not get that done. And so we had to work for a cooperative approach that includes federal security supervisors and teams that will work on the technical expertise that is required.

We also changed some of the laws that exist on the local level by providing overall federal standards for weapons that can be carried and used. So I think we made some real progress today.

But you know, Wolf, there's a lot of work that we still need to do. I heard the earlier program about airport security. It just is shocking to me that we haven't provided all the training that our flight attendants need, that we haven't hardened all the doors into the cockpit, that the, you know, Transportation Security Agency is asking for delays. You know, people need to get with it.

BLITZER: One final question, Senator Clinton. You speak about a "dirty bomb" and making sure terrorists don't get their hands on a dirty bomb. But how concerned -- how realistic is it that they will get some of that radiological equipment and cause that kind of destruction that a dirty bomb potentially could cause?

CLINTON: Well, that's what we're trying to prevent in this legislation, to start keeping better track of where this radiological material is kept and how it's used, trying to make that sure we have some central oversight of all of that.

You know, one of the things we obviously have to worry about is the fear that would be induced by such a radiological explosion that would be triggered by conventional weapons. Now, in fact, it wouldn't cause, in estimates I've seen, a lot of damage to life, but it would cause contamination. It would cause panic. So it's something that we need to be very much aware of.

And what I've spent a lot of my time doing since September 11th, unfortunately, is trying to think like our adversaries. You know, we're a big, free, open, mobile society with a lot of vulnerabilities. We obviously are not going to, you know, put a glass bowl over our country and be scared to move. We've got to keep living our lives. But that means we have to take precautions. And radiological materials, nuclear power plants, chemical plants -- those are all things we need to do better to protect.

BLITZER: Important issues that we have to consider. Senator Clinton, thanks for spending some time with us today.

CLINTON: Thank you. Wolf.

U.S. SENATOR EDWARD KENNEDY (D-MA) HOLDS HEARING ON POLLUTION AND HEALTH, 9/3/2002

CLINTON: Well thank you, Senator Edwards, for calling today's hearing. This is obviously a critically important issue, the connection between human health and changes to the Clean Air Act.

And I think what we're focusing on today is the administration's announcement that it intends to make a number of changes to the part of the Clean Air Act commonly referred to as New Source Review.

I want to thank the witnesses who are here. I've had the pleasure of having Dr. Olden before me, and I respect greatly the work that he does.

And I thank you for coming as well, Mr. Holmstead.

And I particularly want to thank Carol Browner for the work that she did for eight years and the progress that was made under her leadership.

And also Dr. George Thurston of NYU Medical School, who has been part of the ground-breaking research that has really demonstrated clearly the linkage between pollutants in the air we breathe and the quality of our health.

In fact, Dr. Thurston testified before this committee earlier this year with respect to health tracking legislation that I've introduced with Senator Reid of Nevada, and I hope we'll be able to mark that up later this month.

Obviously we now know something we could not prove in 1996. Many of us intuited it, we believed it, but there wasn't the hard and fast proof that Dr. Thurston and other scientists have now provided to us. And that is that there is a linkage between pollution and our health.

Now what does that mean? Well, I think it means that we have a higher level of responsibility than we did in 1996 when we worked on the basis of the best information available.

But, you know, that's what's so wonderful about science, that it provides additional information. Sometimes it debunks beliefs, sometimes it takes what we think and feel and puts it into hard, statistical analysis.

And we now know without doubt, based on these recent studies, some of which go back many years, even pre-'96, but which have come to fruition in the recent months, that there is a correlation between increases in air pollution and increases in hospital admissions, asthma attacks, heart attacks, lung cancer and even premature death.

Now I think that is stunning, and here we are faced with this evidence and to many of us the administration seems to be rushing to implement new rules without adequate attention being paid to these research findings.

Recent epidemiological studies show that human exposure to air pollution increases the risk for heart disease. Exposure to ozone pollution may not only trigger asthma attacks but actually cause asthma in children.

So the biological, epidemiological proof that air pollution not only contributes to but also causes disease is finally one that we cannot ignore, except at our peril.

So the logical thing to do, it seems to me, if we care about our health is to take steps to curb pollution from power plants and from other sources.

And that's why we're here today, because Senator Edwards, myself and others in the Senate, as well as many representatives of medical and academic communities, are concerned about the impacts that the administration's proposals, both with respect to New Source Review and multi-pollutant legislation, will have on human health and the environment.

Now I think all of us are willing to entertain certain reforms in the NSR program; that has to go along with scientific advances. But only in the context of significantly improving our air by curbing emissions.

Now what the administration is doing by rushing to go final on a number of these changes to NSR is to end-run the process. And to make it worse, from our experience to date, the administration cannot definitively tell us what impact these changes to the NSR program will have on air pollution or on human health.

CLINTON: Many of us are also concerned about the administration's 4-P (ph) proposal that we also believe falls short.

And what I am having a hard time understanding, Mr. Holmstead, is that, despite these health studies, despite the fact that they've been published in peer-reviewed, scientific and medical journals since 1996 when the original proposals were made, the administration is still going forward. And I believe there is time for us to take a step back and really consider what it is we are trying to accomplish.

Now, although the administration announced more than two months ago its intention to make changes, nothing has been published in the Federal Register to date. So I would like to take this opportunity to urge the administration to reconsider its position. And at the very least, the administration should allow the opportunity for comment on the final changes it intends to make, so that those changes may be informed by recent scientific findings regarding the public health impacts of air pollution.

As I came in and Senator Edwards was questioning you, Mr. Holmstead, I believe I heard you say that the evidence that you had would be published with the final rule. So that really doesn't do us very much good, does it? Is that, you were going to do this final rule regardless of the evidence, and now you're going to stick in evidence to somehow support the final rule? It sounds a little bit Alice in Wonderlandish to me.

So let me ask you, Mr. Holmstead, what is the harm of allowing additional time for comment on this rule package that you intend to make final? It is apparent that you do not have the analysis that Senator Edwards has asked for. It is obvious now that much has changed since 1996. Every time you go back and say, "Well, this is what it said in 1996," you are, in effect, trying to turn the clock back on scientific research that has been proven in the last month to

make the linkage between pollution and health that the original rule was attempting to try to address, but didn't have the scientific basis on which to make that rule change.

So what is the harm of waiting, Mr. Holmstead?

HOLMSTEAD: Let me, first, just agree with you, that we know more now than we knew in 1996 about the health impacts of air pollution. And many of the studies that you referred to that Senator Edwards referred to were studies that were sponsored by EPA. We do understand more, as Dr. Olden and Dr. Thurston and others will talk about, about the health impacts of air pollution and, in particular, the health impacts of fine particles. And as you and I have discussed, by far the single most significant contributor to fine particle pollution is power plants.

And so, I absolutely agree with you. I absolutely agree with Senator Edwards. And I can say on behalf of the administration that we agree that the most important thing we can do to improve air quality is to reduce emissions from power plants. And maybe we can even talk a little more about that.

And I think what North Carolina has done in particular is very commendable, and a very aggressive approach that we laud and support and applaud at EPA.

You asked me about the harm in continuing to wait. The harm is that we will continue to have a program that artificially encourages companies to keep their pollution high. And nothing about that conclusion has changed since 1996. The basic conclusion in 1996 was that these proposals would not impact air pollution levels one way or the other. The NSR program includes many different pieces, and we are only addressing a small portion of that overall program. And so nothing since 1996 really changes that conclusion.

We do know that today there are plants that -- again for reasons that I'm happy to talk about -- have a very strong incentive to keep their emissions high, because the way the program currently works, that's the only way they have flexibility into the future. And we want to remove those disincentives. We want to make the program work in a way that actually gives people the right incentives to install pollution controls, to undertake pollution prevention projects, to use innovative ways to reduce their emissions. And right now, companies that do that are actually penalized under the NSR program. And we really do want to remove those disincentives.

CLINTON: Well, Mr. Holmstead, the problem with that -- and I don't disagree with the process that you're describing. But what is bothersome is that you cannot, at this time, tell us that the final proposal will not increase pollution.

HOLMSTEAD: Yes, yes I can.

CLINTON: But you asserted; you cannot prove it. You don't provide any kind of analysis about what the likely effects of these proposed changes would be.

Now I fully agree with the goals that you're setting for us. We all agree with the goals. I fully understand the anomalies within the Clean Air Act that sometimes make it not work as well as we would want it to. And that's why I said that many of us would support appropriate changes.

But, you know, this is the second time you've appeared before us. And I think you can sense some of our frustrations. Because we share the goal, but you're not giving us a process that has any credibility attached to it that we can therefore say with these final rules, "This is a step forward."

And that's why I ask for the administration to perhaps take a deep breath and provide some additional time for comment. Perhaps through that the administration might alter or refine its approach to New Source Review.

But you have to believe it's a little disconcerting to recognize that this was a campaign promise by the president, made regardless of what the scientific evidence was, as a way of demonstrating support for those who, frankly, find compliance burdensome and onerous.

CLINTON: So you've got to recognize that it raises some red flags to many of us. And I would just hope that, in good faith, the administration would want to hear from some of the experts and determine, after a limited period of additional comment, whether there might not be a better way to proceed.

Thank you, Senator Edwards.

"The Early Show," CBS, 9/6/2002

As we mentioned, for the first time in more than 200 years, a joint session of Congress will be held here in New York City today to pay tribute to the victims of 9/11. New York Senators **Hillary Rodham Clinton** and Chuck Schumer are already at Federal Hall in Lower Manhattan. Good morning to both of you. It's nice to see you.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Jane.

Senator CHARLES SCHUMER (Democrat, New York): Good morning.

CLAYSON: Senator Clinton, let me start with you. Can you tell us, please, what will happen there today at Federal Hall?

Sen. **CLINTON:** Well, Jane, this is a commemorative meeting of Congress. And we're so pleased and honored that since 1790, we haven't had the Congress meet in New York. And we are. We're gathering to recognize and remember. We're going to be coming together to demonstrate the unity of our country, and the great support that Congress has given to New York. So we're just so pleased that leaders of Congress and so many members will be with us today.

CLAYSON: Senator Schumer, today's session is largely ceremonial. Can--can you tell us, in your opinion, why it's so significant for New York City?

Sen. SCHUMER: Well, it's significant because it shows that America remembers. You know, the pain that all of us, as New Yorkers, have--there's probably a day that doesn't go by when I don't think of the image of those planes flying into the towers--is shared by America. And what better way than having the Congress return to this hallowed building, where George Washington took an oath of office and where the Congress first met? So they're coming to show that we care, we remember you, you're not--we're not div--you're not apart from America. You are part of us. And there's not a better way for it to happen. You know, it's great when the president comes, but that's one person, and he can come all the time. We're having the whole Congress come here.

CLAYSON: Let me--let me turn the attention, for a moment, to--to President Bush, who is seeking congressional support for action against Iraq, as you know. Senator Clinton, what will it take to convince you that US forces would be necessary to overthrow a reg--regime in--in Iraq?

Sen. **CLINTON:** Well, Jane, I'm very pleased that the president made his announcement that he will be consulting with Congress. And that process is beginning. All of us are taking this very seriously. No one doubts that the world would be better off if Saddam Hussein and his

regime were not in power in Iraq. But we have to look carefully at all of the evidence, and we have to assess the implications and consequences. And that's what we'll be doing in the next week or two.

CLAYSON: Does it bother either of you that most world leaders really don't support our action in Iraq and that we might be taking almost unilateral action, Senator Schumer?

Sen. SCHUMER: Well, it would be a lot better to take it all together. But what the president has to do, Jane, is show--do the same thing he's going to do with the American people to the people of the world. And that is to show the real, compelling danger that Iraq pro--poses to every one of our safety and our freedom. Once he does that, I think that people in America, both Democrats and Republicans, will line up behind him. I think people in the world will line up behind him. But, you know, when you're sending the sons and daughters of America off to war to risk their lives, you want to be sure.

CLAYSON: Well...

Sen. SCHUMER: And so far, the evidence hasn't been presented to either the American people or the citizens of the world.

CLAYSON: Well, weapons inspectors haven't been in Iraq for nearly four years now. But still, they say, they've identified several nuclear-related sites in Iraq where new construction or unexplained changes have taken place recently. Mrs.--Senator Clinton, how much absolute proof do you need that Saddam Hussein has developed or is developing weapons of mass destruction?

Sen. **CLINTON**: Well, Jane, I think we have to wait and see exactly what the evidence is. Obviously, for 10 years now, we've looked carefully and tried to contain Saddam Hussein, and--to try to prevent his acquisition of weapons of mass destruction. There isn't any doubt in anyone's mind that this is a person who's not only trying to, but has in the past used such weapons. But I think all of us want to make sure that the evidence is of a compelling nature, because after all, there are a number of regimes around the world that have done similarly, and some are tremendous threats. North Korea exports the kind of technology that can be used in weapons of mass destruction. So it's not only the action based on the evidence that's going to be presented that we have to make a decision about, it's the consequences and implications. And we have to think through that very carefully.

CLAYSON: Final...

Sen. SCHUMER: Here's the question, Jane. The question is very simple, and that is: How much real danger to Americans walking on these streets of New York and every other city does Saddam pose? And if that danger is real, and if it's--you can't say, 'Well, it's 100 percent certain he'll do something,' but if it's a high percentage, you can't take the risk. But we have to see the evidence, and the American people, when Hillary and I go around New York state, that's what they're asking. They're not saying yes, they're not saying no, but they're saying, 'Show us the facts.'

CLAYSON: We'll have to leave it at that. Senators **Hillary Rodham Clinton** and Chuck Schumer, thank you. And good luck today.

Sen. **CLINTON**: Thank you, Jane.

Sen. SCHUMER: Thank you very much, Jane.

CLAYSON: Thank you.

"Inside Politics," CNN, 9/6/2002

Kate mentioned Senator **Hillary Rodham Clinton**. In fact, I talked to her as well today and asked her a little more about what she thinks the real value of a session like this is.

(BEGIN VIDEOTAPE)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Of course, it has great symbolic and historic significance that the Congress would come back where the Congress started here in New York at Federal Hall, but it's also a very tangible way for New York to say thank you to the Congress and to America, and for members of Congress to see what has been accomplished.

You know, the last time many of them were here was a week after -- or so after September 11. I think it was actually the 20th. And we walked over to the site of such devastation and horror that it was a really hard day. And then of course, the Congress came through and provided the funding that we needed to do the clean-up and remove the debris and take care of a lot of the human needs that we were faced with. And this was a way for the Congress to see what they helped accomplish.

So it's not only is a looking back, if you will, about where we've come from, but I think it's also a way of looking forward, because clearly we are going to need more help. I'm going to be going to my colleagues as the months and years go by, just to make sure they know what our needs are. This makes it very real.

WOODRUFF: Now, much of the focus is continuing to fight the war on terror, on Iraq, on the minds of every member of Congress. Yesterday, your husband, former President Clinton said in California that what President Bush should focus on is not Saddam Hussein right now, but Osama bin Laden. In so many words, he said it was Osama bin Laden who killed 3,000 Americans, not Saddam Hussein, and we should be going after bin Laden. Do you agree with him?

CLINTON: Well, I think the war on terror has a lot of targets, and from my perspective, we have to pursue those who would use weapons of terror against us, no matter who they are or where they are.

Clearly, we have a lot of work still to do in rooting out and eliminating the al Qaeda network, but the president is going to make his case to the Congress and to not only America but the world as to why he believes that Saddam Hussein is also a very significant target in this war on terror. And we are all going to be listening.

The real goal, I think, all of us share is that we do everything necessary to defend our country, to defend Americans and defend freedom-loving people throughout the world, and we have got, unfortunately, some committed, dangerous adversaries, more than one out there.

WOODRUFF: But it sounded as if your husband was saying the president's priorities are not correct, that Osama bin Laden should be first before Saddam.

CLINTON: Well, I think that that's a question a number of members of Congress and people generally raise. We don't know what's happened to bin Laden. We do need to know that. We also need to make sure that the positive mission that our military undertook is a lasting one so that we don't leave a vacuum for terror to grow again in Afghanistan.

But unfortunately in today's world, terrorists have many different locations from which they can strike against the United States, and what we are going to wait and see in the Congress is the case that the administration makes.

One thing we don't want -- and I know that a number of military leaders have been pointing this out -- is to, you know, spread our resources so thin that we are not effective anywhere. So we really have to take this carefully, weigh all the alternatives and act. But I don't think

anyone would argue that Osama bin Laden has to remain the number one target, because clearly that's who brought so much destruction and death on this city.

WOODRUFF: Final question. We're INSIDE POLITICS, how actively are you going to be involved in the gubernatorial race? Apparently Carl McCall against George Pataki?

CLINTON: I'm going to be very active. I didn't take a position of endorsement in the primary, because I think I'm better suited to wait until the nominee of our party is chosen. And we have now a nominee, a very able, accomplished nominee, indeed. And we are going to be working as hard as we can to get him elected.

WOODRUFF: So, George Pataki should be defeated?

CLINTON: Well, I think that Carl McCall has a lot to give to New York. And when New Yorkers hear him and know where he stands on the issues and the changes he wants to make, I think this is going to be a real horse race. Stay tuned.

WOODRUFF: All right, Senator Clinton, thank you very much for talking to us.

CLINTON: Thank you, Judy. Appreciate it.

WOODRUFF: Well, not far from Federal Hall where I'm standing, the work of the financial markets went on today.

And for the latest on what happened in today's stock market activity, let's go down to Bertha Coombs. She's on the floor of the New York Stock Exchange -- Bertha.

BERTHA COOMBS, CNN CORRESPONDENT: Hi there, Judy.

Today, in fact, Dennis Hastert and Trent Lott opened the markets. It seemed to be a good omen for the markets. Also, a couple of better-than-expected reports seemed to be just what the doctor ordered for Wall Street this session.

August employment reports showed that the jobless rate dipped to 5.7 percent. That's a five-month low. And tech bellwether Intel trimmed its quarterly sales outlook, but by not by as much as Wall Street had feared. Stocks sprinted out of the gate from the start, with techs leading the pack: the Nasdaq composite 33.5 percent. Shares of Intel added 7 percent after hitting a 52-week low yesterday, while the Dow Jones industrials rose 143 points. And the Standard & Poor's 500 also ended the session higher.

But even with today's run-ups, stocks fell short for the week. The Dow lost more than 2.5 percent. The Nasdaq finished the week down slightly. And the S&P 500 shed nearly 2.5 percent as well.

That's the latest from Wall Street -- more INSIDE POLITICS after the break.

(COMMERCIAL BREAK)

(BEGIN VIDEOTAPE)

WOODRUFF: I'm here in Midtown Manhattan with House Speaker Dennis Hastert and House Minority Leader Richard Gephardt.

Gentlemen, we're just about a mile and a half, two miles away from ground zero right here.

Mr. Speaker, today's ceremonial session, what does this signify? What do you want to tell people by having held this?

HASTERT: I think, first of all, we want to say that we're in solidarity with the people of New York and the people of Virginia, too, that went through the Pentagon -- but of their extreme courage.

We want to salute, certainly, and commemorate those people who died, but also the great heroes of the city. I think New York, in going through this tragedy, in their coming back and fighting back, really exemplifies the spirit of America. And we want to honor that.

WOODRUFF: Only the second time something like this has ever happened. Was it really something you think that needed to be done?

REP. RICHARD GEPHARDT (D-MO), MINORITY LEADER: I think it's important. This attack on the United States was the largest attack probably in our history, probably since the War of 1812 of the Revolution. So this was an enormous attack. And people are still trying to get over it.

Obviously, the families of the people who were killed are never going to get over this tragedy. We wanted to honor them. We wanted to honor the rescue workers, who -- many of whom also died, and say to the whole country that we're back, that we're united, and we're going to try to fight against terrorism in the days ahead.

WOODRUFF: Speaker Hastert, so you have one day where you have all come together in a spirit of support for the city, the Congress working together. Is there any chance this is going to spill over into any of the other contentious issues before the Congress in the weeks ahead?

You've got spending questions. You've got health care questions. You all are very far apart on some of these issues. Is any of this going to have any effect on the rest of what you do?

HASTERT: Over the years, we have worked together. And, ultimately, we get things done. And I think we will continue to work together. Sometimes we have differences of opinion. That's how we get elected. But we're going to continue to work together.

I think the Congress in the past year has moved a tremendous amount of legislation to try to make our skies safe, to make this country safe, to apprehend terrorists, to do all those things that we've done, extraordinary amount of legislation that we've worked on together.

WOODRUFF: Does it make a difference, one day like this, do you think? Does it help solve any other problems?

GEPHARDT: Well, I think 9/11 has had an impact on all of us. I think we've done pretty well in working together as best we can, in a bipartisan way, to get the things done to respond to this terrorist attack.

We passed lots of legislation in the two or three weeks after 9/11. We are working now on a Homeland Security Department. And it's been a bipartisan consideration. So I told the president on 9/12, "You've got to trust us and we've got to trust you." I think we've done pretty well at that. And we're going to continue to do that. This fight is not over.

WOODRUFF: Speaking of which, Mr. Speaker, the focus now on Iraq, some congressional officials saying this debate, your hearings, could go on into and past the November midterm elections. Is that a timetable you're comfortable with?

HASTERT: We're not sure what the timetable is yet.

But there's a time for talking and then there's a time for action. And I think we're united in saying that we don't want to see this happen again in this country. And we need to do everything we can to protect the people of this nation, so that we don't have this type of terrorism enacted again on the people of the United States. And we'll do everything to stop it.

WOODRUFF: But are you comfortable with the hearings going beyond November 5?

HASTERT: We need to take the case to the Congress and to the American people. And when that case is made, then we'll have the right form of action.

WOODRUFF: You're not answering.

HASTERT: Well, we don't know. We don't know how long it takes.

WOODRUFF: But the president has said he'd like to get it done by early October.

HASTERT: He said he'd like to get it done before Congress leaves.

WOODRUFF: Which will be in October.

HASTERT: We don't know.

WOODRUFF: What are you thinking?

GEPHARDT: I think you have got to take it a day at a time. I don't think we can get ahead of ourselves. We do need hearings. He's going to the United Nations on Tuesday. I don't know what he will say there, but there may be some activity there.

He's calling other countries. He's trying to build a world coalition. So there are other things that could intervene here. But, as the speaker has said, we need to do what it's Congress' responsibility to do. A lot of us said to the president, "You need to come to the Congress." Well, he's done that now. And I'm glad he did that. We need to do our part and we need to do it in a responsible and successful way.

WOODRUFF: How much of a factor will Iraq be in these midterm elections, Mr. Speaker?

HASTERT: We don't know.

Iraq and what we were doing here today is beyond politics. We need to stand together and do the right thing. I don't know what the consequences are for the midterm election. We need to do the right thing for the security of this country. And I think Dick Gephardt and I both agree. Politics doesn't have anything to do with this.

WOODRUFF: And yet, for the Democrats, Mr. Gephardt, if the Democrats aren't able to talk about some of the issues that you've said are important -- the economy, prescription drugs, and so on -- if the debate is all about Iraq, how do Democrats get their message out?

GEPHARDT: Well, we're going to continue to talk about all the domestic issues. And I'm sure the Republicans will, too. Those are issues that are important to the American people. And we need to be heard on those. Those differences still exist. And those will be sorted out in the election.

At the same time, we need to put politics aside to deal with these issues. We've got to do the right thing for the American people. These are life-and-death issues. Our highest responsibility is to keep the people of this country safe. We simply cannot have another attack, certainly, with weapons of mass destruction, against the American people. We've got to prevent that, if it's humanly possible. And the only way to do that is to put politics aside and do what you think is right.

(END VIDEOTAPE)

WOODRUFF: Talking with House Speaker Dennis Hastert and Minority Leader Dick Gephardt.

As you've been hearing, the events of this day more significant because we're so close to ground zero and so close to the humble beginnings of this country.

Here's CNN's Bruce Morton.

(BEGIN VIDEOTAPE)

BRUCE MORTON, CNN NATIONAL CORRESPONDENT (voice-over): The first Congress met in New York, not where they're meeting today, but in this building, remodeled in 1789 by Pierre L'Enfant after the Continental Congress had used it.

The Senate was upstairs. It is still called the Upper House, behind closed doors, the house downstairs with room for visitors. This is an artist's impression of the Senate session, another of President Washington being sworn in. It took some members from the South and West a month to reach New York. They didn't stay long.

DONALD RITCHIE, SENATE HISTORIAN: They finally started the House on April 1 and started the Senate on April 6, 1789. And then they stayed there until August of 1790, so just about a year and a half.

MORTON: Then they moved to Philadelphia -- that building is still standing -- for 10 years. It was a deal, of course. The South would help the Northern states' debt and the government would move to the Potomac.

RITCHIE: George Washington picked the site, not surprisingly about 20 miles from where his home was. And he had hoped that this would help to improve commerce of the states of Virginia and Maryland.

MORTON: Philadelphia hoped Congress would love it and want to stay. Would our national dish be Philly cheese steak if they had? But a deal was a deal. And they came to Washington, which looked nothing like the way it looks today.

RITCHIE: Just part of the Capitol Building, the White House and a few other federal buildings were open in 1800. They still moved down there. And the congressmen sorely missed the amenities of Philadelphia and of New York. They lived in very rudimentary boarding houses. And they complained bitterly for years, in fact for decades, about how primitive Washington was as a site for a capital.

MORTON: But they stayed, stayed when the British were burning the city during the War of 1812, stayed ever since, with two exceptions: Congress held a session in Philadelphia in 1987 to celebrate the bicentennial of the Constitution, and in New York today.

UNIDENTIFIED FEMALE (singing): ... that our flag was still there.

MORTON: Bruce Morton, CNN, Washington.

(END VIDEOTAPE)

WOODRUFF: Meanwhile, we want you know we're still waiting for that second verdict in that Florida murder trial involving two young boys. It will be coming down around the top of the hour.

But, next, we will head to New Jersey, where a Republican candidate says he smells blood. Plus: Senate hopeful Elizabeth Dole kicking up controversy over her role as a poster girl of sorts.

(COMMERCIAL BREAK)

WOODRUFF: While many senators gathered here today in New York City to remember September the 11th, Democrat Robert Torricelli stayed home in New Jersey to campaign. Exactly 60 days before the November election, Torricelli's bid to get reelected remains shaken by questions about his ethics.

Here now: CNN's Brian Palmer in New Jersey.

(BEGIN VIDEOTAPE)

DOUGLAS FORRESTER (R), NEW JERSEY SENATORIAL CANDIDATE: Bob Torricelli has managed to step in it this time with regard to the Superfund and accusing me of being indifferent.

BRIAN PALMER, CNN CORRESPONDENT (voice-over): Doug Forrester smells blood, attacking Bob Torricelli's record at a Northern New Jersey toxic waste site. Torricelli supporters showed up to defend their man.

TOM RICHARDS, MAYWOOD CITY COUNCILMAN: Congressman Torricelli at the time grabbed hold of the reins and made an effort, a successful effort, to clean up the homes in Maywood.

PALMER: The powerful incumbent Torricelli is on the defensive, dead even in recent polls with the political unknown Forrester. Torricelli has been hobbled by a Senate Ethics Committee admonishment for using poor judgment in taking gifts from a donor in 1998.

SEN. ROBERT TORRICELLI (D), NEW JERSEY: I agree with the committee's conclusions, fully accept their findings, and take full personal responsibility.

PALMER: That apology isn't enough for Forrester, who has blasted Torricelli throughout the bitter campaign, as he did Thursday in their first TV debate.

FORRESTER: Mr. Torricelli is a repeat offender. Do you realize that he is the only member of Congress in U.S. history to be hauled in before the Ethics Committee in both the House and the Senate?

TORRICELLI: I have tried the very best I can to be accountable on this item. I've said there were mistakes. I've said there were misjudgments. It's really the best I can do. All I can do is, with the record that is now present where I made these mistakes, is ask people to consider all the other things that I have done in life.

PALMER: But the man known as "The Torch" is not just playing defense, attacking Forrester for his conservative politics, his lack of experience in elected office, and lumping the business executive with greedy CEOs.

TORRICELLI: Who is Doug Forrester? He won't release his income taxes, how he went from a middle manager in state government, sold political contacts, and made \$50 million to \$100 million selling overpriced prescription drugs in eight years.

PALMER: This race is much bigger than New Jersey.

INGRID REED, EAGLETON INSTITUTE, RUTGERS UNIVERSITY: This is one of a few close races that will mean the balance in the Senate. Right now, there is one vote between Democrats and Republicans. And this campaign could make the difference.

PALMER: The national parties have lined up behind their candidates.

(BEGIN VIDEO CLIP, AD)

NARRATOR: Torricelli has a 100 percent pro-choice rating. Forrester would cut Medicaid-funded abortions for victims of rape and incest.

(END VIDEO CLIP)

(BEGIN VIDEO CLIP, AD)

NARRATOR: Bob Torricelli thinks New Jersey will tolerate lies and corruption. Call Bob Torricelli. Tell him we won't.

(END VIDEO CLIP)

PALMER: With so much money flowing into the race and so much riding on its outcome, the eight weeks between now and the election promise to be long and tense.

Brian Palmer, CNN, New Brunswick, New Jersey.

(END VIDEOTAPE)

WOODRUFF: Meanwhile, in Rhode Island, the mayor of Providence, Buddy Cianci, was sentenced today to five years in prison for corrupting city hall. The 61-year-old Cianci says he plans to appeal. The judge described the colorful longtime mayor as a Jekyll-and-Hyde character who corrupted Providence's government even as he helped resurrect the city. About an hour after the sentencing, City Council President John Lombardi was sworn in to serve out the remainder of Cianci's term, which ends in January.

The "Political Play of the Week" is coming up next. Find out why raining on someone's parade helped one political figure shine.

(COMMERCIAL BREAK)

WOODRUFF: Unfortunately, our Bill Schneider is not here with us today in New York, but Bill has Big Apple politics on his mind -- Bill.

WILLIAM SCHNEIDER, CNN SR. POLITICAL ANALYST: Well, Judy as you know, New York respects clout and it respects politicians who have clout.

This week, a New York politician showed clout without even voicing an opinion. That's unusual for a New York "Political Play of the Week."

(BEGIN VIDEOTAPE)

(voice-over): It was all set up. New York Democrats were supposed to nominate their first African-American candidate for governor this year, state Comptroller Carl McCall.

MICHAEL TOMASKY, "NEW YORK": It was pretty much wired for Carl McCall from the start.

SCHNEIDER: Then Andrew Cuomo, son of the former governor and member of President Clinton's Cabinet, got into the race. The whole New York Democratic establishment, including Senator Chuck Schumer, got behind McCall. That put New York's other Democratic senator, Hillary Clinton, on the spot.

TOMASKY: As the race wore on, pressure from black political leaders, particularly, mounted on her to make some gesture in behalf of Carl McCall, if not an actual formal endorsement.

SCHNEIDER: What to do? The polls gave Senator Clinton an opening. They showed Cuomo falling way behind. Pressure grew for Cuomo to pull out. Last Friday, Senator Clinton and her husband showed up at the New York State Fair.

CLINTON: We dream about this sandwich all year long.

SCHNEIDER: Andrew Cuomo was at the fair, too. But somehow, the Clintons never managed to connect with him. Hmm.

Monday: the West Indian American Labor Day Parade in Brooklyn. Senator Clinton was there. So was Carl McCall. It was raining. The senator needed an umbrella. Somehow she managed to connect with McCall.

CARL MCCALL (D), NEW YORK GUBERNATORIAL CANDIDATE: I think I had a very big umbrella. And Hillary Clinton wanted to be under my umbrella to be protected from the rain.

SCHNEIDER: Cuomo got the message. The next day, he pulled out of the race, sparing his party a divisive primary.

ANDREW CUOMO (D), FORMER NEW YORK GUBERNATORIAL CANDIDATE: If we were to now spend \$2 million this week on an acrimonious campaign, we would only guarantee a bloody and broke Democratic nominee, whoever won.

SCHNEIDER: How bitter could it have gotten? Cuomo told a "New York Times" columnist, "I believe in my heart that, if I did a negative ad, I would have won." A frustrated Cuomo added: "How could I go against Carl McCall? How could you do that? Don't you like black people? Aren't you a progressive? Aren't you a liberal, you young, arrogant SOB?"

It looks like the campaign ended just in time.

TOMASKY: This is the first race, really, in which she, as a sitting senator, could deliver an endorsement that carried a lot of weight and meant something.

SCHNEIDER: Yes, it did. It meant disaster was averted for the senator and her party. It meant the "Political Play of the Week."

(END VIDEOTAPE)

SCHNEIDER: And, Judy, for the record, this is the first "Political Play of the Week" accomplished through the skillful use of a strategic umbrella.

(LAUGHTER)

WOODRUFF: There are all sorts of umbrellas.

Thank you, Bill.

SCHNEIDER: Sure.

WOODRUFF: We appreciate it.

That's it for INSIDE POLITICS this Friday, September 6. We thank you for joining us. I'm Judy Woodruff in New York City.

And I'm going to turn it over to "WOLF BLITZER REPORTS" next.

"CNN American Morning with Paula Zahn," CNN, 9/6/2002

PAULA ZAHN, CNN ANCHOR: In New York, symbolism is the order of the day as Congress hits the road. A ceremonial session will be held in New York a little bit later today in the shadow of ground zero to commemorate 9/11.

Congress met here in 1789 then moved to Philadelphia in 1790 and Federal Hall is in lower Manhattan. It is on the same site where George Washington took the oath of office.

And New York Senators Hillary Clinton and Charles Schumer join us this morning from that historic location.

Good to see both of you. Welcome.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you, Paula.

SEN. CHARLES SCHUMER (D), NEW YORK: Good morning. Good morning, Paula.

ZAHN: We want to talk a little New York right off the top. Since September 11, some \$21 billion in aid has been promised to the city. Has it come through, Senator Clinton?

CLINTON: Yes, it has.

SCHUMER: Yes, it really has. You know, Paula, the president, the Congress really rallied behind New York. And we have needs that are enormous, as anyone who comes down here can see. Some are visible, the destroyed buildings and infrastructure. Some are not visible, the people who really need to be healed and mended in different ways.

But America has stuck behind New York and we are extremely appreciative and grateful. The Congress, both Democrats and Republicans, the president, he's of a different party than we are, but we give him credit for stepping up to the plate and helping us. So, we're probably going to need more help in some ways we don't even know. But the fact that the Congress has come here, over 300 members, shows they haven't forgotten us in any way.

ZAHN: Senator Clinton, do you have any concerns as the city moves towards that one year marker and you have the president coming to town? You've got members of Congress here, a lot at stake over the next five, six days, the meeting of the general assembly of the U.N.

CLINTON: Well, Paula, obviously I have concerns. But I'm also very confident in the preparations and planning and the expertise and competence of our city and our police, our fire, our emergency responders. We're living with a heightened state of vigilance today in New York and throughout America, which we have to. But there isn't any place in the world like New York.

We had a great celebration last night in Times Square to kick off the football season. We've got the Congress coming today. We're going to have many, many ceremonies, culminating in a day long series of incredible events to remember and not only look backwards, but look forwards on the 11th.

I think that the country and the world will once again be very proud and impressed by New York and New Yorkers.

SCHUMER: You know, Paula, just one little note. They ask New Yorkers in a survey every year, do you intend to be in New York five years from now, knowing we're a city for people who have come from all over the country, all over the world. Before 9/11, about 55 percent would say yes. Since 9/11, 75 percent say yes. I think that's the spirit of New York.

ZAHN: As a diehard New Yorker, I'm thrilled to hear that. On to the issue of Iraq and the debate over what course of action the U.S. should or should not take. I wanted to share with both of you something that the former president, President Clinton, had to say in giving a little advice to President Bush, saying that we really need to move slowly here.

Let's listen to what he's had to say the other night on CNN.

(BEGIN VIDEO CLIP)

GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES: Tomorrow I'm calling leaders in Russia, China and France to talk about the threats that face us all. I will see Tony Blair on Saturday. I will see Jean Chretien on Monday. My point to you is not only will I consult with Congress and talk to Congress, my administration and I will do so, I will also see many of the leaders of the world and remind them of the facts.

(END VIDEO CLIP)

ZAHN: Well, guess what, Senators? We got the wrong president. I was, in fact, referring to Senator Clinton's husband, Bill Clinton, and basically he said looking at it from the outside it seems to me that we have maximum incentive now for him not to use these weapons and not to give them to anybody because he knows all of America is ready to go after him and would if he had done that.

Do you agree with the president's sentiments there, Mr. Schumer?

SCHUMER: Well, you know, I think that the, President Bush in the last while has slowed things down a little bit. Instead of just saying well, we have some secret information and we think we have to go to war and then these leaks to the newspapers of tactics, we'll invade Iraq from the northwest corner. That frightened the American people and the world.

I think Americans are willing to, we're willing to defend ourselves and we're willing to go to war if there's a compelling danger to the people here in America from Saddam Hussein. But the president has to lay that out. He has to lay it out to the Congress, but just as importantly, to the American people and he also has to lay it out to the people of the world. Leaders like Tony Blair, Berlusconi of Italy, many of the others want to be with us, but their publics are asking them the same question, that is, why do we have to do this?

You don't go to war casually. And if the president lays out a compelling case, my guess is he'll have the support, certainly of the Congress, both Democrats and Republicans, but also of the world. But he has yet to do that.

It's good that he's going to the U.N. It's good that he said on your clip there that he was going to talk to the leaders of the world. He may have to do what President Reagan did and

visit the countries of the world and lay out America's case. And if it's a compelling case, I think the world will join us in trying to deal with Saddam Hussein.

ZAHN: What are the chances, Senator Clinton, that Congress will give the president support to go into Iraq before the midterm elections?

CLINTON: Well, Paula, I think what Chuck just said is absolutely on target. The president is starting the consultative process now with Congress, with our allies and with the American and international public. We're going to be involved in that process. All of us take very seriously the threat that Saddam Hussein poses to the region and the world. Clearly, a regime change would be in the best interests of the Iraqi people as well as the international community.

We want to look at the evidence. We want to understand the planning. We want to really analyze the consequences and implications. But I really am pleased that the president announced this week that that's exactly what he's going to be doing. And we're going to be listening and watching very carefully.

ZAHN: Senator Schumer, a final question. A number of Democrats thought they got singed by the public when they didn't go with the first President Bush on efforts to get involved with Desert Storm. How much does that enter into the equation this time around?

SCHUMER: Well, I don't think very much. I think that you have to vote your conscience and you have to vote what the right thing is. It's an awesome decision to tell, particularly if you don't have young men and young women yourself in the armed forces, children -- I don't, my daughters are too young -- to say OK, we're going to put those people in harm's way. We're willing to do it. One of the beauties of America is we've been willing to do it every time our safety is at stake. But you don't do it casually.

So I think that everyone is going to be careful. And I'll tell you, in the meetings that I've been to, public and particularly private, Republican senators have expressed more objection than Democratic senators thus far. I don't think there's a partisan divide on this issue, quite interestingly.

ZAHN: Senator Clinton, we've just got about 10 seconds left. A final thought this morning on, once again, what you want Americans to think about when we see more than half of the Congress convene in downtown New York.

CLINTON: Well, Paula, I want Americans to know how grateful New York is for all of the help and support that we've received in the last year. The Congress has come through. The president has come through. But they've done so on behalf of our nation and we're very grateful. We're probably going to need more help. This was a tremendous blow to the economy, to lives. We have to rebuild. But I think anyone who comes here knows that we're on the right path and we're going to get it done and we appreciate all the support and the continuing prayers that we get from around our country.

ZAHN: Well, we thank both of you for joining us this morning. Senator Clinton, Senator Schumer, again, thanks for your time and good luck down there later on this morning.

CLINTON: Thank you, Paula.

SCHUMER: Thanks, Paula.

ZAHN: Appreciate it.

"Face the Nation," CBS, 9/8/2002

And we're back now with our expanded edition of FACE THE NATION. Gloria Borger is standing by at ground zero in New York this morning. With her is Senator **Hillary Rodham Clinton**. Gloria.

GLORIA BORGER (CBS News): Thanks, Bob.

Senator Clinton and I are actually here at the Verizon Building, which is right across the street from ground zero, and even on a Sunday morning, Bob, the work is continuing here.

And, Senator Clinton, I guess I just have to ask you, one year later, being back here at ground zero, your thoughts.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Well, Gloria, as you were pointing out to me, you look back at this site and the enormity of it is more than television can capture. I thought that the first time I came down on September the 12th to see the extraordinary devastation and yet no one thought we would be ahead of schedule and below budget in the clean-up effort and so many people deserve the gratitude of all of us for the rescue and recovery and the clean-up work which is going on as we speak, right behind us.

BORGER: Right. Now Congress had come through with the \$20 billion that you asked for.

Sen. **CLINTON**: That's right. \$21.4, actually.

BORGER: OK. That you asked for for the cleanup here.

Sen. **CLINTON**: That's right.

BORGER: Is that going to be enough, Senator, for New York?

Sen. **CLINTON**: Well, Gloria, probably not. But we're very grateful for what we've received from the president and the Congress, and it has enabled us to move forward, not only on the physical cleanup and the rebuilding, but on a lot of the human costs that have to be paid, and there are so many people who lost somebody or who are grievously injured, who are still coping with that, people who still don't have a job and aren't back in their apartments yet. So we have a lot of work ahead of us but I am so grateful on behalf of New York to thank all of America for what has been done.

BORGER: One year later, the talk, as we heard with Senator--with Secretary of Defense Rumsfeld and--and Bob has talked war in Iraq. This morning's New York Times reports that Iraq has been busy this past year, trying to purchase equipment to make nuclear weapons. There's also talk that Iraq has the capacity to build and deliver chemical weapons. Is that enough for you to vote to authorize the use of force against Iraq?

Sen. **CLINTON**: You know, Gloria, I think the goal that we all share to remove this regime that does absolutely pose a threat, now or in the future, is one that I fully subscribe to. And I'm looking forward to the president coming before the American people Wednesday night, going before the United Nations on Thursday, to make the best case possible because I--I think what we want is not only a shared goal, but an understanding of the means and the level of commitment. And I heard Secretary Rumsfeld out--outline some of the grave concerns that he has spoken to, which I share. I don't...

BORGER: But have you heard enough yet?

Sen. **CLINTON**: Well, we're--we're hearing more. You know, as it comes along, more information is put out. And we have to evaluate it carefully. But we also have to know what exactly the intentions are, militarily; who will go with us. And I'm hoping that we'll have more support than just our very good friend, Tony Blair. What our potential intended consequences are as well, how we hope to be able to pursue our mission in Afghanistan at the same time, which I think is still critical. So there's a--there's a lot of unanswered questions that we're in the process now of answering.

BORGER: What if we had to go it alone, Senator?

Sen. **CLINTON**: If it were the right thing to do, we would do it. There's no doubt in my mind. And I would support it.

BORGER: Now you talk about finishing the work in Afghanistan, and last week, former President Clinton said that we ought to go after Osama bin Laden first and then we ought to go after Saddam Hussein. Is--is that what you think?

Sen. **CLINTON**: Well, I think there are a number of priorities in the war against terrorism. Obviously, here in New York, our priority has been our nation's priority, which is to root out and eliminate the terrorist network. And we also have to be very careful that Afghanistan doesn't implode and create a vacuum in which terrorists can once again flourish. That has been our nation's policy ever since September the 11th, and I don't want anything to take away from that emphasis. Now I believe we can do more than one thing at a time, but we also have to be extremely cognizant of the fact that these terrorists are determined adversaries, and we have to be sure that we do not, in any way, slack on our effort to get rid of them.

BORGER: The vice president said this morning that he would like a vote in the Congress authorizing the use of force or something like that before Congress leaves in October, before the elections. Will that be something you would be willing to give him, a vote?

Sen. **CLINTON**: Well, I think that we do need a vote. The timing on it is something that I leave to the administration, the leadership to work out.

BORGER: And I guess one last question, Senator, as--as we sit here and we look out over ground zero, I'd like to know your thoughts about what you think should be here to memorialize September 11th?

Sen. **CLINTON**: You know, Gloria, I wish I had the imagination and expertise of an architect or a designer or an artist to be able to describe it. I know that I want a memorial that stands the test of time, that will not only remind us of what happened, but continue to uplift our spirits and pay homage to the lives that were lost and the values of America that they were lost for. I'd like to see a life that once again brings people down here. You know, performing space and cultural destinations, retail and residential and a school and the sound of children, as well as commerce. This was a thriving neighborhood.

You know, when some of my colleagues came down with me about a week after, they were surprised to learn that people lived here. Children went to school here. They rode their bikes around the World Trade Center. So we want it, once again, to demonstrate the reality that New York is the global financial capital of the world. But we also want it to be a place where people raise their children, where tourists come to have a moment of silence and where all of us know that life has returned which in many ways is the best tribute we could pay to those who were lost.

BORGER: Thank you very much. Thanks for coming here today. Thanks for being with us, Senator Clinton. And we go back to you in Washington, Bob.

SCHIEFFER: Thank you very much, Gloria. And thank you, Senator Clinton. We'll continue with our expanded edition of FACE THE NATION after a short break.

President GEORGE W. BUSH: (From September 2001) I can hear you. The rest of the world hears you and the people--and the people who knocked these buildings down will hear all of us soon.

(Announcements)

CEREMONY FOR SMITHSONIAN EXHIBIT ABOUT SEPTEMBER 11, 9/10/2002

FIRST LADY LAURA BUSH, RUDOLPH GIULIANI AND SENATOR HILLARY CLINTON PARTICIPATE IN DEDICATION CEREMONY FOR SMITHSONIAN EXHIBIT ABOUT SEPTEMBER 11

CLINTON: Thank you, Secretary Powell. And I know that our country is grateful for your years of dedicated service in both your military leadership and now your civilian leadership. And we're very grateful and thankful for your leadership and guidance today.

It is such an honor for me to be here with Mrs. Bush to open formally this deeply moving exhibit. And on behalf of all New Yorkers, I, too, want to thank our first lady for the extraordinary grace that she has demonstrated and the service that she has performed in so many ways, but particularly with respect to the words that she has spoken and the example she has set so that all of us have a better idea of how to comfort and help our children.

And I'm very grateful for her leadership. And I want personally to thank her, knowing a little bit about the position she found herself in, and being very impressed with the wonderful job that she's doing for all of America.

Thank you, Mrs. Bush.

(APPLAUSE)

You know, the Smithsonian really is the guardian of our cherished memories, our artifacts, our icons. It has been a place that through our country's history has not only responded, but has helped to shape how we think about ourselves, who we are, where we've come from, where we're headed.

CLINTON: And I want to thank everyone associated with this exhibit. I particularly appreciate the leadership of Lawrence Small (ph) and Mark Pacter (ph) and Sheila Burke, but to all of the curators, all of those who donated to make this exhibit possible. This was an extraordinary gesture that will be seen and felt and remembered by so many Americans.

In this audience today are people who were there at the Pentagon, people who were there at the World Trade Center, people who lost loved ones in those terrible attacks when the airplanes hit our cherished places of commerce and government and crashed because of our heroes' efforts in the fields of Pennsylvania.

And to each of you, I thank you for being willing to share your memories and to look forward, because this is not just an exhibit about the past. It does honor the past, but it calls on each of us to think deeply about what it means to be an American at the beginning of the 21st century.

Each of the objects, the photographs, are certainly part of that tragic day in our history. The personal stories, the piece from the facade of the Pentagon, an empty Navy uniform, the photographs of rescue workers in Virginia, New York and Pennsylvania, the squeegee that was used to save lives opening an elevator, the shoes taken off so that someone could run for safety.

These objects alone might be significant to the person who donated them, but together they form such a poignant picture of what all of us remember and many experienced on that terrible day.

Yes, it was a day marked by unspeakable tragedy, but what we are really honoring today was not just the courage and the heroism shown by the rescuers, but by so many

Americans, along with the countless acts of generosity and kindness, a day when a calculated effort of evil was answered by Americans' instinctual need and desire to do good. And that's exactly why the terrorists will never win.

This museum is the perfect setting for such a powerful exhibit, and as you tour this exhibit, as you stop before the pictures, as you think about the individuals who are depicted there and so many more who have already come as family members and who will come to leave their remembrances, I know that, like I, as I first walked through it, the power of it will overwhelm your emotions.

These artifacts in this great museum remind us of what it means to have the blessings of liberty and freedom, to be able to make the choices that we think are right for ourselves and our children.

On that terrible day, some people made the choice to run toward danger. Some people went far above the call to duty. Some people paid the ultimate sacrifice with the loss of their lives. Some suffered grievous injuries that are still preventing them from being with loved ones or resuming the normal activities of everyday life.

But this exhibit will make sure that we never forget the sacrifice that so many paid, who were going about their daily business as American citizens, who were, of course, the target of the terrorist attack, but who, more than that, symbolized the resilience of this great nation.

CLINTON: Among those people who paid the highest price was the Fire Department of New York City. I've been privileged and honored to meet so many of the firefighters in this last year, to talk with them, to listen to them, to try to help in whatever way I could, getting the resources that were needed to tend to physical and emotional challenges. And I always come away inspired, and frankly, in awe.

It's now my honor to introduce one of these firefighters to you. Chief Joseph Pfeifer was the first New York City Fire Department battalion chief to arrive at ground zero. Chief Pfeifer that day was on a routine call about a gas leak. As he stood on the streets of lower Manhattan, he and his men watched as the first plane struck the north tower. Then he did what all firefighters do. He rushed to the scene to help and to save lives.

On that terrible day, his brother lost his life. Chief Pfeifer's heroism and sacrifice represents the best that New York and America has to offer.

CLINTON: Please join me in welcoming a genuine hero, Chief Joseph Pfeifer.

(APPLAUSE)

"Larry King Live," CNN, 9/11/2002

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Oh Larry, it was such an emotional moment. You know, I read the names with a man who lost his brother. And we stood there together, and I was looking out at that crowd and I recognized some of the faces.

But so many of the people were holding pictures of their loved one, or they had a button with his face on, or -- It was a real time to just think about the losses that we suffered last year. It was so overwhelming, still, to realize that a year ago these hundreds and thousands of people just got up on a beautiful September morning to go to work, and were just murdered.

KING: Did you watch the president's speech?

CLINTON: I didn't get to see it, but I heard about it. And I heard it was extremely effective, very wonderful message for the country to have. A real sense of our unity and purpose with of course, the unbeatable backdrop of the Statue of Liberty right there on Ellis Island.

KING: What's the year been like for you?

CLINTON: It's been a year of extraordinary pressures and stresses, because of the -- and losses that we suffered here. So many people who, not only lost their family members, their colleagues, their friends, people who were still grievously injured, people who have lost their jobs and haven't gotten them back. People still don't have their apartments back to live in. That great huge hole in the heart of the city, that reminds us what happened every single day. And you know, all the holes in the hearts of so many New Yorkers.

I mean, I was honored to represent New York when I was elected, and every single day I felt so privileged. But this brought home the sense of the responsibility and the greatness of this place.

KING: Did any of their reaction, this city, your adopted city, surprise you?

CLINTON: No. No. You know, we never know what any of us will do until we're tested.

KING: Never know.

CLINTON: You could sit and talk big, and you can expect, you know, what might happen, but you don't really know. I don't know that any city in the world could have responded as magnificently as New York did. I have no doubt that our firefighters and police officers and emergency workers saved literally thousands of lives.

But in addition to the heroism and the bravery that we know about, there were countless other acts that we're only learning about still, people who aren't here to tell them for themselves. We also knew of, and learned of, so many acts of kindness and generosity. It wasn't just the heroism. It was the every day act of taking care of each other.

KING: Are you supportive of the president's homeland security concept and all that's occurred in that area since?

CLINTON: I certainly am. You know, back, I think, early November of last year, I proposed legislation to get money where it's needed, which is to the front-line soldiers who defend us here at home. We've done a great job getting resources to our men and women in uniform and our military, and they're doing magnificently.

I don't think we've done enough yet for our firefighters and police officers and others. We need to make sure that they get the resources they need to be able to do the job we're expecting them to do. There's a lot of work to be done. People ask me all the time, well, are we safer, senator?

Yes. I think we are. I think we are safer. Are we as safe as we can be or should be? Not yet.

KING: Did you like the idea of reorganization in one head office?

CLINTON: Well, I think that there's some benefits to be gained. But it is going to be hard to merge all the different agencies together. A lot of people who studied this problem say that it's something we need to do, and I do support it.

But I don't think we should think it's a panacea. It is going take a lot of hard work to break down these bureaucratic barriers, to get people to be more efficient. We don't even have a modern computer system in the government.

You know, one of the reasons we had some of the problems is that we didn't pay for and install in the government the kind of computer capacity that most businesses of any size have today in America. And they don't talk to each other, they don't share information with each other. Yes, some of it is because before last year we didn't think we needed to do that.

You know, if you and I had been talking on September 10 last year and I would have said, you know Larry, I think we need to stop everybody as they go on the airlines; in fact, we need to ask them to take their shoes off, you would have looked at me like I was crazy.

We are now willing to do things, and that includes reorganizing our government, giving our front-line defenders the resources they need, and getting up to speed with the equipment and infrastructure that's required.

KING: In the aftermath of this, we have Iraq looming, and where does Senator Clinton stand?

CLINTON: Well, I stand with the majority of my colleagues right now, in recognizing and acknowledging that Saddam Hussein and weapons of mass destruction should not be said in the same sentence. We have to separate him from the capacity to obtain and use such terrible weaponry against his neighbors or anyone in the world. It is also important to try to do this with some international support.

Not because we needed it militarily. We have the strongest military in the world. We've proved that time and time again -- Bosnia, Kosovo, Afghanistan. If we have a mission that is clear, we can fulfill it.

But we have to be wary of the unintended consequences of military action. We have to make sure that, you know, our allies in the region are willing to stand with us, both for logistical and strategic reasons, but also because after the fact, we have got to have support to, you know, do what's needed.

KING: Are you open to listening to the president's point?

CLINTON: Absolutely. In fact, I'm very pleased that he's going to go to United Nations tomorrow. We're all open and we're really waiting for the president and the administration, both to lay out their case in more specifics. And to lay out their strategy, so we can ask some of the questions that need to be asked.

KING: Is it essential that Osama bin Laden's whereabouts, or if there's an "about," be known?

CLINTON: What's essential is that we continue the eradication of the al Qaeda network. If he is still alive, and if he is functioning, then it's essential that we prevent him from masterminding any other terrorist actions.

But this network is bigger than one man. He has been the key to it. I mean, he's really been the driving force and charismatic leader. I don't like the idea that he may still be at large. That doesn't make me comfortable.

But we also have demonstrated our ability to roll up some of the terrorist cells, to obtain information, to act on that information. So eventually, I hope we know what's happened to him, if he's still alive. I hope we're able to, you know, bring a end to his ability to lead this network.

KING: Were you surprised on this program last week, when your husband said was consumed by Osama bin Laden?

CLINTON: No, I'm not surprised at all, because I saw it firsthand.

You know, we can look back now and say, well, why, before September 11 of last year, you know, didn't we know more, do more, find out how we can prevent this? And certainly, everyone I know in this administration, the prior administration, going back years is an expert now at saying, what if this, what if that?

But the fact is that we were able to do some things, but we didn't have the international support. We didn't have the commitment as a nation to really make this the priority it needs to be. And September 11 changed so many things.

KING: Couple of other things. How do you think Laura Bush is doing?

CLINTON: Oh, fabulously. You know, I'm very impressed by the way she has helped to pull the country together. Her emphasis on what we need to do for our children is exactly right. She and I were together yesterday at the Smithsonian for the opening of the exhibition that the Smithsonian has put together about 9/11, and I'm very impressed and, you know, very grateful to her.

KING: Anything surprised you about being in the Senate?

CLINTON: Oh my gosh. Well, before September 11, what was most difficult was trying to get a handle on my schedule. It was so hard to show up and not know whether we would have votes, and whether we were going to go to this committee meeting or that.

But since 9/11, what's been overwhelming, is just the obligation that I feel to do everything I possibly can to help individuals, to help the city and the state, to do whatever is required to take care of national security and homeland security.

KING: We're going -- we've now called it Patriot's Day. Are we going to do something every year, do you think?

CLINTON: I hope so.

KING: What's proper? Not a holiday.

CLINTON: No, it's not a holiday. It's not a time for celebrating. It's not a time for goofing off. It's not a time for, you know, vacationing. It's a time for remembrance, and a time for resolution about what we do going forward.

Today was a profound combination of looking backwards and looking forwards. And one of the things that has so impressed me about so many families -- and I thank you for running all their names across the bottom of their screen; that means a lot to family member -- but what has also impressed me is how they often so often say to me, we just don't want this to happen to any other family.

KING: Always good seeing you, Senator.

CLINTON: Always good to be with you, Larry. Thanks.

KING: Senator **Hillary Rodham Clinton**, the former first lady, Democrat of New York.

NEWS CONFERENCE ON SKYSCRAPER SAFETY, 9/17/2002

LOCATION: HOUSE RADIO-TV GALLERY, WASHINGTON, D.C.

SEN. **CLINTON:** Well, thank you all for being here this afternoon. We have a very important matter that we're excited about, because it's actually moving through the Congress, about to be passed in the House, and that is the National Construction Safety Team Act of 2002.

This is really a bipartisan, bicameral effort. And I want first to acknowledge the tremendous work and leadership of Congressman Sherry Boehlert. Congressman Boehlert, as you know, is the chair of the House Committee on Science, and he understood immediately what this issue meant, not only to the many families of lost ones from 9/11 but for the future in terms of making our buildings, particularly our skyscrapers, safer.

I also want to thank Congressman Anthony Weiner, who also served on that committee with Congressman Boehlert, and I want to thank Congressman Chris Shays as well for being here today.

I want to thank, in the Senate, Senators Hollings and McCain, the chair and ranking member of the Senate Commerce Committee. They and their staffs worked so many hours over so many days with my staff and with Congressman Boehlert's staff to resolve all of the outstanding issues of the bill. And without Senator Hollings and Senator McCain, we could never have passed this in the Senate last week.

I also want to acknowledge the hard work of a grassroots organization known as the Skyscraper Safety Campaign, led by Sally Regenhard and Monica Gabrielle. Without their dedication to this issue, this would not have gotten on to the radar screen and we wouldn't have gotten the public support and the fast action in the Senate, and now this afternoon in the House. We expect passage today.

This legislation is so important because it will save lives. It will empower the National Institute of Standards & Technology, otherwise known as NIST, to have the tools it needs to properly investigate major structural failures. It is also fitting and consistent with how our country has dealt with disasters in the past.

I just want to raise one past precedent. On March 25th, 1911, the terrible fire known as the Triangle Shirt Waist Company fire in Manhattan killed 146 people, mostly women and girls, who were trapped in the building. Exits were blocked. Victims were forced to leap to their deaths. And in the wake of that awful tragedy, our government responded with new fire-prevention and factory-safety measures.

That's what we're seeking to do now, to learn from this terrible disaster. And this act will give the authority to NIST to be able to send special teams to disaster sites, like we do when we have an airplane crash, to have full access to such sites, to help subpoena and preserve evidence, and to use its new authority to really deepen the investigation that has already started into what happened.

I've met with many of the families who have suffered terrible losses because of September the 11th. Their questions are legitimate. They deserve answers. And this legislation is going to help us obtain those answers.

And it's my great pleasure to introduce the real champion in the House of this legislation, Congressman Sherry Boehlert.

REP. BOEHLERT: Thank you very much, Senator. The House passed this bill on July 12th by a vote of 338 to 23. The Senate last week followed through, and they made some slight modifications which we find fully acceptable, and we will pass that bill later on today and send it on to the president.

This is very important, very significant legislation. The attack on the World Trade Center is, we hope, unique. But the collapse of those two seemingly immovable objects has lessons for a wide variety of buildings facing a wide variety of relatively common occurrences.

H.R. 4687, which I introduced along with my colleague, Mr. Weiner, will ensure that we are able to learn and apply those lessons, not only in the case of the World Trade Center, but in future cases as well. The bill simply and precisely remedies each and every failing that hindered the investigation of the World Trade Center collapse.

The bill gives clear responsibility and authority, including subpoena power, to the National Institute of Standards & Technology, to use its long-time expertise and that of outside experts to investigate failures of structure and evacuation procedures and to make specific recommendations to prevent their recurrence. And the bill ensures that NIST's response will be both swift and thorough. And we followed the model of the National Transportation Safety Board.

The bill, as I indicated, has already passed the House, and we have negotiated clarifying changes with the Senate. The bill will shortly be ready for the president's signature. And I can't thank enough all the people who worked, as the senator indicated, on a bipartisan, bicameral basis, but particularly in my House, Congressman Weiner and Congressman Shays and Congressman Grucci, who is not here with us today. We all pulled together in the same direction at the same time.

If you look at the final bill, you'll see a lot of fingerprints -- not fingerprints of Republicans or Democrats or senators or House members -- the fingerprints of concerned Americans, who are going to do something meaningful. And I'm proud to identify with that effort.

It's a pleasure now for me to introduce my lead co-sponsor, Congressman Weiner.

REP. WEINER: Thank you very much, Mr. Chairman. I want to thank you for all you've done. Also I should point out that Senator Schumer, who was most helpful in this, couldn't be here today. He had a death in his family.

This was an extraordinary effort. No one can say that they expected the attack on the World Trade Center. In fact, no one can say that it wasn't a sheer miracle that over 25,000 people got out alive. That's a testament to how well the buildings were constructed and a testament to the thousands of hours of incredible work by the workmen and women who built the towers.

But it can also be clearly said that the investigation that was done after the collapse was fatally flawed. It was a crime scene. Not only was there no smoking gun, but there was no weapon found, no fingerprints. And, in short, there was not even a detective assigned to the case.

Unlike a month and a day later, when a plane tragically crashed in the Bell Harbor part of my district, when the NTSB was on the scene -- literally, frankly, within half an hour they were on the scene. They were sequestering evidence. They were taking control of the scene.

They were gathering information that would hopefully, in the next few weeks, bring us close to conclusions about why that plane went down.

If you juxtapose that with the collapse of the World Trade Center, you saw a situation that was frankly in disarray. Over 80 percent of the steel was carted away and recycled before it could be looked at by any expert. There was infighting among agencies about who had the right to see blueprints for the building. There was even controversy when members of the police department seized film being taken by some of the investigators that might have been helpful to the investigation. And the reason is simple: No one ever contemplated such a horrific act.

Well, unlike some elements of our 9/11 legislation that have been bogged down, in some cases for very good reason, the Science Committee in the House, the senators on the Senate side, in bipartisan fashion, with comity all around, came to a consensus about what needed to be done, and we quickly moved to do it.

Now, September 2002, we're sending to the president a measure that would create a new agency that would have new authority to make sure that not only is the legacy of the World Trade Center collapse that we know how not to do investigations, but in the future we're going to know important things that might save lives.

And the information that has come out in hearings in both the House and the Senate has already been most enlightening. We found out that the design of the World Trade Center, keeping the four stairwells closely compact in the center of the building, made sense from a design perspective but perhaps did not make sense from a safety perspective.

We now have given new thought to whether or not it's important to have access to the roof, whether or not having repeaters built into the hard wiring of the building might not be a good idea in the future. This new agency is going to help make it happen. And I want to

thank particularly Sherry Boehlert on our side, Senator Clinton on the Senate side, for working so hard and so diligently to make this legislation a reality.

SEN. **CLINTON:** Congressman Shays, welcome.

REP. SHAYS: Thank you. First, I thank Hillary Clinton and Chuck Schumer for their effort in the Senate, and obviously for Congressmen Weiner and my chairman, Sherry Boehlert. When these two gentlemen first introduced this bill, I thought, "What are they talking about?" We saw these planes hit. They were filled with an extraordinary amount of fuel. It's obvious that they would have eventually collapsed. What's there to know that we didn't all get to see first-hand.

From the very beginning of the hearings, we just learned so much. We learned about building materials. We learned about where the stairways were put. We learned that had we looked at building number seven, that was basically allowed -- it burned for nearly seven hours or more and then collapsed. When could you have this wonderful case -- horrible case study of what happens when a building burns? They were amazed, frankly, that it burned -- that it stood standing for so long. Why did it burn? Because there was no water to get to it.

We learned that no one was in charge. Absolutely no one was in charge. It's amazing to think of. And they used obviously the NTSB as the model. They have subpoena power. They have the ability to jump right in and everybody respects their authority.

But in the end, what the Science Committee did and what the Senate has done was just an extraordinary piece of legislation, no politics involved, just caring about the victims of September 11th, those that lived in Connecticut and New York and New Jersey and Massachusetts and around the world, frankly, all the host of people around the world that went down in this disaster.

So this is really great legislation and we're happy that you're here to pay attention to it, and hope that, with all the other things that are being debated, this doesn't get overlooked. This is going to have tremendous benefit for years, thanks to the work of these people right here.

SEN. **CLINTON:** Any questions?

Q Just to be clear, this bill doesn't have any bearing on last year's -- it won't help -- (inaudible)?

SEN. **CLINTON:** Well --

Q (Off mike.)

REP. BOEHLERT: But let me point out, it's very important to note that Congress immediately responded, and the supplemental appropriated \$16 million for the ongoing investigation of the WTC. That money is in the hands of NIST. They're using it very effectively. They're filling the gaps in our knowledge base, and that's critically important.

SEN. **CLINTON:** I think, you know, you could make an argument that not only the additional money that Sherry just mentioned, which was given to NIST to conduct the investigation -- because, remember, the first investigation was not conducted by NIST. First we had to get NIST the responsibility to investigate. The first investigation, even the people involved in it said, you know, "We're not the experts here."

But there wasn't any real authority to give to NIST until recently, and then we've now given them some appropriated funds to do it. And I think that, given the importance of this investigation, the fact that this legislation lays out the authority going forward, I think NIST will have a good argument legally that they should be able to use some of that authority going forward, too.

REP. WEINER: And let me make one other point. At our first hearing of this in the House, we had a panel that included five people from five different agencies. And I asked, "Who's in charge of the investigation?" Four hands went up and one guy flinched. I think now we

understand who's in charge. We understand the line of authority. And we also understand, frankly, how seriously Congress takes this.

And I should point out -- and I'm sure my colleagues have -- this is a case where the victims and their families made this bill happen. This was, frankly, one of the things of a long litany of things that we were thinking about in the back of our minds, and it wasn't until Regenhart, the Skyscraper Safety Campaign, citizens came to us with the idea and said, "Hey, you're overlooking what went on."

And, frankly, a lot of people came at it the same way Chris Shays did. And so I think this is also a testament to the idea that people called to our attention that this wasn't happening in an organized fashion. And now it clearly is.

Q Does this bill actually -- assuming the president signs it, this will help the ongoing investigation?

REP. BOEHLERT: It will indeed. It will indeed. And NIST will have subpoena power, for example, which they didn't have; which they don't now have.

Q (Off mike.)

SEN. **CLINTON**: NIST is not doing the investigation. I mean, there was an investigation that, as Anthony --

REP. BOEHLERT: American Society of Civil Engineers conducted the initial investigation. But they were hampered in so many different ways.

SEN. **CLINTON**: Right.

REP. BOEHLERT: They didn't have immediate access to the evidence. It was two and a half months later before they had access to the blueprints, for example, of the building; a lot of concerns about potential liability. No one was clearly in charge.

First and foremost, number one, the top priority is the rescue operation. And no one (wanted to interfere?) with that, obviously. But evidence was being carted off in different directions in just a valiant effort to save as many lives as possible. Some of that evidence was destroyed, disappeared.

Every single beam is numbered, so you can actually do with a building the same thing you do with an aircraft. You can piece it back together. Obviously you're not going to recreate the World Trade Center, but you can on paper, knowing where the evidence is and where it was discovered. And these are very important investigative tools.

Bottom line, no one had clear authority to come in and take charge of the scene, to sequester the evidence. Subpoena power to get additional evidence was needed, and now they have that.

REP. WEINER: And let me give you two specific examples about how the law will change the present investigation. One, when this NIST team goes to Fresh Kills and says, "We want to look around" -- and there are FBI agents still there today, police officers still there today -- "We want to look around and gather information and mark it," they'll have the right to do it, and insist upon it if they're not permitted.

Secondly, when they go to the Port Authority and say, "We need to take a look at the exact layout of the 71st Floor; give us your blueprints," you won't have the Port Authority saying, "Well, let's check with our lawyers." It's going to be clear that they have the authority to do that.

Those are two things that didn't happen in the days immediately after September 11th.

Q What were some of the changes that the Senate made to the bill? And were there any changes made to the funding levels at all?

SEN. **CLINTON:** What we really did in the Senate was to convince the Commerce Committee that this should be a priority. And there were some clarifying changes made, and I can go through the specifics of that.

But what really happened in the Senate -- and I give Senator Hollings and Senator McCain great credit -- is that they took this on as a priority and it moved to the top of their agenda, whereas before, you know, it was something that wasn't going to be acted on in this session.

So the changes were not that significant, but what was really significant is that they took it on, got it done. We got it passed by unanimous consent and we're going to get it signed by the president.

REP. WEINER: There was only -- if I can just say, there's only one substantive thing. That was concern by the Justice Department, since an agency was going to be -- a new agency was going to be issuing subpoenas. Making sure they had their lawyers have a chance to look over the shoulder in the process is a relatively minor change.

Yes.

Q (Off mike.)

SEN. **CLINTON:** I think the report is going to contain their findings. And some of those findings, recommendations will flow. I think that, just as we see with the National Transportation Safety Board, they finish an investigation and then they say, "Well, you know, we'd better check the engines on this make of plane." I think you're going to see the same kind of active recommendations coming from the NIST investigation.

Q (Off mike.)

REP. BOEHLERT: Don't worry. I mean, it's several months in the making already and it's probably going to be several months more. We want it to be thorough. We want it to be complete. (Inaudible.)

STAFF: (Off mike.)

REP. BOEHLERT: But they were already underway.

SEN. **CLINTON:** Right.

REP. WEINER: And we should fully expect them to say, in a lot of cases, "We just don't know." And that is the sad legacy of this issue is that unfortunately this bill was not law at the time; switches, that a lot of the experts say, "If only we could have taken a look at those electric switches, we could have determined to a greater certainty about the heat" and things like that.

There are some questions that are going to be sadly left unanswered. And we hope, you know, obviously to answer as many of them as possible, but we have to have reasonable expectations. Information and evidence that was lost, tragically was lost for good. So -- and I think members of the families understand that, and I think we should expect that also.

REP. BOEHLERT: And it will give us some direction for new research and development activities. For example, we know that the insulating material on the steel beams -- the impact of the plane -- some of that material came off, which allowed the beams that were to be protected to get to 2500-degree temperature, and that began to cause the collapse.

SEN. **CLINTON:** You know, we also anticipate -- we did some protocols about how to proceed, hopefully not because of an intentional terrorist attack but maybe some other catastrophe, so that when your primary goal is to rescue people and save lives, no one wants to interfere with that. But there needs to be a protocol so that, at the same time, with the least amount of interference, the investigation can proceed. And they're going to be coming forward with some good ideas about how to do that.

And no one wants to second-guess the decisions that were made because, as Anthony said, I mean, this was something that people had to quickly make decisions about on the site. But if they have a pre-existing idea -- "Well, you know, instead of sending that off to get melted down and recycled, it goes somewhere else to await an investigation," you know, that's different. And we can fix a lot of that going forward.

Q What will happen if another building collapsed somewhere, you know, next year, next month, and someone asked NIST to investigate and they decide not to?

REP. BOEHLERT: They're not going to decide not to. They've got the authority and the responsibility and the clear direction to investigate.

Q (Off mike.)

SEN. **CLINTON**: Yeah. Well, I mean --

Q (Off mike.)

REP. BOEHLERT: We're not talking about somebody's garage in the neighborhood but you're talking about significant structures.

Q (Off mike.)

SEN. **CLINTON**: We have a --

REP. BOEHLERT: Congressman?

Q (Off mike.)

SEN. **CLINTON**: That's my counsel -- (inaudible) -- who's worked very hard on this for me, and I appreciate it. We're not talking about the garage, but we are talking about substantial buildings, substantial loss of life. And I think that's what people would expect from us.

STAFF: What the bill -- (inaudible) -- applicable to other -- (inaudible). Within the expert community there's a fairly good sense of what that is. There has to be discretion because otherwise you're -- (inaudible). It's pretty widely understood what kind of building -- (inaudible).

REP. BOEHLERT: And with that, we go to the House now, and we're going to pass the bill and get it on to the president. Thank you all very, very much.

SEN. **CLINTON**: Thank you very much.

END

U.S. SENATOR JAMES JEFFORDS (I-VT) HOLDS HEARING ON FEDERAL RESPONSE TO 9/11, 9/24/2002

CLINTON: Thank you very much.

Senator Voinovich?

VOINOVICH: Thank you, Mr. Chairman -- Madam Chairman.

First of all, I would like to say publicly and I haven't had a chance to talk to Senator Smith privately, although I have written to him to acknowledge the hand of friendship that he extended to me when I became a member of the Senate and chairman of the transportation infrastructure committee and the work that we did together on Water 2000 and the Florida restoration project and also sharing my frustration while we were ranking members of this committee trying to come up with a bill that would harmonize our energy and our

environmental needs. We're going to really miss you, Bob. You've been a wonderful member of this committee and I'm going to miss you.

I'd like to thank Administrator Whitman and Director Allbaugh for the outstanding job that they have done in responding to a situation that none of us would have ever anticipated in our lifetime.

So often in these hearings, we just talk about the problems and don't talk about all of what you've taken on with the work forces that, frankly, weren't shaped to deal with this kind of tragedy.

I know that you are doing the best that you can to move forward and to try and respond as well as you can to the things that are still out there. I think that we owe you a great debt of gratitude to the two of you and to your staffs and to your families for the time and effort and sacrifice that you've made on behalf of your country. So, I want to get that out before we get into the questions part of this.

In that same note, Joe, you and I've quoted you in speech after speech when you've testified before this committee and said "We have not been spending enough time internally on our employees. Before 9/11, retention was a problem and there was essentially no recruitment. Over the next 18 months, nearly 50 percent of our agency is eligible for retirement and since 9/11, retirements have accelerated. The people that worked at Ground Zero came to my office with a different perspective on life, wanting to spend more time with their kids, grandkids and spouses."

I'd like to hear from the two of you what you have been able to do in terms of shaping your work force. We're talking about all of these problems, but I am an old governor and mayor and I realize that you are only as good as your team and I think the teams of many of our federal agencies were in bad shape before this happened and need to be reshaped to respond to it.

We do have the homeland security bill before the Senate. Finally Congress is paying attention to human capital and flexibilities and things that, for the most part, they've ignored for years and frankly, so has the previous administrations.

But I would really like to know, where do you stand in terms of recruitment, maintaining your people, reshaping your work force, getting yourself in the position where if we get hit again, you are going to be able to do -- you know, we're going to be able to do a better job of responding to the situation.

WHITMAN: Well, Senator, let me just say quickly and Senators, I have indicated that I am going to have to leave so I apologize, but I would be happy if the other two regional administrator and the assistant administrator could assume the place at the table.

You and I have had this discussion on a number of occasions and the issue to which you address yourself is a very real one. We, too, stand to lose up to 50 percent of our work force over the coming five years.

And so, we have been engaged in a very aggressive outreach to recruit new, young people to the Environmental Protection Agency, but at the same time to provide opportunities for those within the agency to see a real career path, to make it worth their while to stay, to understand that there are opportunities for them to expand their horizons. We've been aggressive with SCS (ph) mobility. We have tried to encourage people to take advantage of new educational opportunities.

In respect to response to 9/11, while our on scene coordinators were well trained and were able to do a significant job, they needed more training and we have been very active and aggressive in more training. We have hired, as I have indicated initially, 75 new personnel. We are starting a western office so that we make it easier and we don't have to deploy

people simply from the East Coast to respond to any kind of a crisis that may occur -- of this sort occur across the country.

We have undertaken a number of steps to ensure the security of all our people around our country, in all the offices around the country so that they understand that we care about their security as well, that we are concerned about it, that we are focused on it and that we will do all that we can to make sure that they understand what is happening when it happens, what the procedures are in place and that we provide them with all the protection necessary.

We are continuing with an aggressive training program for those who are our first responders, our on scene coordinators, providing them with additional equipment.

We have been working very closely with other agencies to ensure that we are coordinating this kind of training and we are making it possible to ensure that our people are going to be the best possible people on the scene that you could have, that the American people could look for.

At the same time, we are looking at the broader issue to which you refer, which is that of just retaining people, bringing new people in in light of those who are getting ready to retire.

Thank you, Senator. I am sorry. I have to excuse myself.

CLINTON: Thank you very much, Administrator Whitman.

Deputy Administrator Horenko or Region Administrator?

ALLBAUGH: Senator, I appreciate the question. I am very proud of the fact that over the last 19 months I've been in Washington, we have launched out on a very aggressive program in trying to increase our retention.

Congress has given us the ability to offer retention bonuses which come in handy periodically that I can throw on the table to keep that gray matter that we are losing every day. We've aggressively stepped up our own internal training, so individuals have a career path similar to what Governor Whitman was talking about.

One of the things we've done just recently is take a look at ourselves and define a strategic plan for the agency and internally have become more flexible and amenable to attacks such as we sustained on September 11.

We have also -- I am stunned that we have five different classifications of individuals in our agency and we are trying to eliminate the disparity between those classifications.

You have people doing -- sitting side-by-side doing the same work and some have benefits, some don't have benefits, some of them are salaried, some aren't salaried and it does not create for a very harmonious work force when there is this disparity. So, we are aggressively attacking that.

We have a plan on the table subject to OBM's approval to do away with all of those classifications, so I am very proud of that. My most immediate concern is that I am losing individuals at a rate of five a day to TSA. They walk in; they get a \$40,000 pay increase to go to TSA. I cannot compete with that.

So, we're almost cutting off our nose to spite our face. I mean, I realize and recognize the importance of the job that TSA has ahead of it, but we're all in this together, quite frankly. So, I worry about the drain from that on our work force.

Having said all of that, we have some of the greatest people who are innovative. They put others ahead of themselves when they are trying to do their job and it would be insightful if I could get every member of Congress to come to New York City and sit just for 10 minutes as we process some of these individuals who are hurting, just the compassion that our employees share and the volunteers share with those people who have been harmed.

That is what is great about America. It's unfortunate that everyone can't see that, because that is why FEMA exists -- to help people in time of need, to protect lives and to save property and we do a pretty good job of that.

CLINTON: Senator Crapo?

CRAPO: Thank you, Madam Chairman. I have no questions.

CLINTON: Director Allbaugh, I also wanted to thank Deputy Director Mike Brown (ph), who I didn't see earlier. Shows you problems of aging. And I wanted to just make three points. Your concern about the health tracking of our workers and volunteers, I know, is very sincere and heartfelt.

It is my understanding that although the firefighters have been tracked and baseline comparisons made with their pre-September 11 physical condition, unfortunately, they don't have the follow up money to track them into the future, which is what the idea behind the health tracking is, that they need clinical treatment and follow up that will go on.

Unfortunately, because of the stresses and because of the World Trade Center Syndrome, which is asthmatic and bronchial and respiratory, we are losing literally hundreds of our firefighters for health reasons as well as stress related reasons so that the ongoing tracking is not only physical, but also for emotional stress.

In addition, our police officers have not yet all been tracked. We know they didn't have the same kind of system as the firefighters. They are trying to build that, really, from scratch, putting them into the Mount Sinai program, getting them there.

Other workers, particularly our iron workers, our operating engineers, our laborers, the guys who were down there from just about the afternoon of the 11th until just recently, are only now getting into the system.

One of our hopes is that we not only can provide the health tracking over the foreseeable future that these people will need, but we will learn a lot in conjunction with the registry that you very wisely set up. We want to make sure that we are actually treating people, so it kind of dovetails.

We will get with you on that, because I know that both Mr. Brown (ph) and Mr. Gehr (ph) have been very receptive and responsive. I just wanted to ask about another issue and that is that the hazard mitigation grant program and I think that as I understand the program, New York is eligible for grants to help mitigate the effects of future disasters equal to 5 percent of the total amount appropriated, in other words, about approximately \$420 million.

The administration has the discretion to raise this cap from 5 percent to 15 percent. I know that there are about 240 requests totaling billions of dollars from hospitals, agencies, city departments, the fire department, police department, et cetera.

And yet, none of that money has yet gone out. Is there a reason for that? Is there something we need to do to...

ALLBAUGH: There is a very simple reason. We are waiting for those projects from the city and the state. We are in discussion in a wide variety of those projects, but until they say, these are the ones we want to fund; we're on hold, quite frankly. And that's an ongoing -- it's not an adversarial relationship or dialogue. It's a very good dialogue and it just takes time to sift through all of the requests that they have.

CLINTON: Well, again, I thank you for your openness, flexibility. We'll make sure we'll do our part on the city and state end. And I guess, you know, finally from me, the issue about getting our first responders the training and equipment they need is something I am just passionate about and I heard it in your voice. I've seen you say the same thing in previous settings.

You know, we did have money and I know the president did not designate the money that was in the supplemental that included money for fire grants. It included money to begin to make our radio systems what is called "interoperable", which is something we had a terrible time with on September 11 in New York.

The homeland security department is authorization, is not appropriation. We just have to get the money out to FEMA, to the states, to the cities. I prefer that we have a formula where some money gets directly into the hands of our police and our fire and they can begin spending it at the city, country level.

I know the administration has a different approach, but whatever approach it has taken, we've got to get the money out. We are not getting the money to where it needs to be to get those respirators bought, to get that hazardous material training, to get our guys, you know, ready for whatever might come next.

I appreciate your very strong endorsement of that position, Director Allbaugh.

ALLBAUGH: Well, I appreciate that, Senator. I will tell you that as an agency, every dollar that we have been afforded by Congress to go directly into the hands of those first responders will be out, both the '02 money and the supplemental money will be in their hands by the end of this calendar year. We are moving as quickly as we possibly can. A lot of that money is for planning, but they need some money to plan, to do the exercises, to figure out what kind of equipment they need and what kind of training.

We are working as quickly as we can. It's not a problem of being held up. We just, like you, need the money to get the job done.

CLINTON: Thank you. And I want to thank Ms. Horenko and Ms. Kenney (ph) for their work as well in New York.

Senator Warner?

WARNER: Thank you very much.

I commend also their performances but I want to direct my question to Director Allbaugh.

I've been a native of the greater metropolitan Washington area my entire life, of course, primarily Virginia, but here is the central government of the United States and we've got to keep it working.

Should we have the misfortune of another incident in and around the nation's capitol which required not only the District of Columbia, but Maryland, Virginia and some 16 local governments to coordinate, is there someone looking at this specific mission of keeping government working, which requires the presence of a percentage of the government employees. They've got to have the ability to go to and from their offices and their homes in this region.

Now, I just have been advised that on the floor we've adopted an amendment, which I cosponsored with Senator Sarbanes, setting up in the homeland defense agency a specified segment of that organization and headed by an individual whose function is to do just this. Do you have some comments on that?

ALLBAUGH: Well, I thank you for that. We do that on a daily basis over at FEMA. We work with our counterparts not only Peter LePort (ph) and his crew at the D.C. Office of Emergency Management, but the surrounding communities on both sides of the rivers.

It is an effective national capitol region group that addresses every one of these problems. We work closely with OPM and other agencies to make sure that those that are needed to carry on those important and vital functions of our government have access to their offices.

It is a well-orchestrated plan. It is in effect today and I appreciate what you have done. This will just give added emphasis to what we already have in effect.

WARNER: Of course, the transportation and communication system will be a principle focus. Is that correct?

ALLBAUGH: Absolutely. It is the cornerstone. Without the ability to move about and to communicate, we're essentially dead in the water.

WARNER: That's clear. I thank the chair. Do other members of the panel wish to comment on this? I noticed that you were nodding.

STAFF: Senator Warner, I'm pleased to comment, we are part of the team that director Allbaugh referred to. Our EPA staff are planning, exercising, training with the National Capitol Region team that FEMA and the Office of Homeland Security are taking the lead on. We're pleased to play a relatively small but important part in that effort.

WARNER: Thank you very much.

Thank you, Madam Chair.

CLINTON: Senator Corzine?

CORZINE: Thank you. I also welcome Ms. Kenney (ph) and Ms. Horenko. I would comment that I think the laboratory that is run in Edison has been a remarkable group of people that worked around the clock on September 11 testing and efforts and I congratulate you all for your efforts along that.

I have a couple of questions that are sort of off where we've been. The testing for anthrax in buildings that has somewhat disrupted the Senate for a period of time. It certainly disrupted a number of the post offices and very serious concerns about the dislocation that has occurred at the Hamilton Post Office in New Jersey.

But I think the same situation occurs here in Washington and Florida. I wonder whether we've gotten these procedures moved along in a process in a way that it will not take weeks, months and maybe it will approach a year when we get into October with regard to a number of these activities.

Where do we stand? Where does EPA stand in its process of dealing with these? And then the second question I have would be to Mr. Allbaugh. I can only tell you that I think all of us appreciate the flexibility and the, I think, creativity of FEMA.

I think that a transportation center funding in New York with regard to the PATH tube and not necessarily putting back exactly the same footprint when times have changed and optimizing makes a lot of sense.

But similarly with regard, and this is, some might say, more parochial but when we're talking about first responders, the very first responder to Ground Zero on September 11 was with respect to the Urban Search and Rescue teams was the New Jersey team.

It is fully funded by the state of New Jersey, fully meeting all of the standards, but can't get to the designation. This is less a funding issue than being able to be plugged into the exercise and training issues.

I guess less a question and an encouragement to believe that the same kind of flexibility is shown with regard to what I have seen FEMA do and I really do congratulate the administration and FEMA for its efforts.

Some of that same flexibility in this area might also be appropriate. So, both those areas I would like to explore.

ALLBAUGH: I appreciate your concern. I, too, have some of that same concern. We have a multitude of urban search and rescue teams whether they are supported by other states or those in local communities that are equally as talented.

I am of the opinion at this point that we need to finish our review process, bring the teams up to a certain standard and they're undoubtedly in my mind, will be several who will fall out of the matrix who just can't cut it.

I think the door will open up. I do not see the need, quite frankly, to expand on the 28 task forces. That means we have 56 teams right now. The need is not there, but I hear what you are saying and I think only time will maybe accrue to your benefit. We'll have to see how it sorts itself out.

CORZINE: There has been -- I would just reiterate, the investment has been made. The performance has met the standards and the level of consideration; so, I know it is a serious concern within our state and among our first responders. They have been very active in the current situation.

ALLBAUGH: I hear from them weekly.

CORZINE: I'm sure you do. So do I.

STAFF: Senator Corzine, let me first thank you for your kind comments about our very dedicated staff in Edison, New Jersey. They, indeed, were the stalwarts of our emergency response.

As you know, a few minutes after the incident of 9/11, our folks in EPA Region Two whose offices were only six blocks from the World Trade Center were evacuated and had to deploy out of the Edison office in the following weeks and months.

And so, really, without our dedicated New Jersey staff, we would have not have been able to proceed. And also -- I know the senator had to leave, but I would like to recognize also Senator Smith's friendship and support to the EPA and its staff. Over the years, he's really been a stalwart in environmental protection and I would like to recognize that.

We have indeed learned a great deal about anthrax in the last year, more than I certainly ever thought I would learn when I took this job. At the Capitol Hill complex, we essentially wrote the history book on decontaminating large buildings in an urban area laden with anthrax, deployed through the mail as a weapon of mass destruction.

We learned many lessons from that historic and unprecedented response -- the importance of the unified command and incident command, the appropriate sampling techniques, an entire toolbox of decontamination techniques that have never before been pioneered and then finally processes for clearing buildings that have been contaminated with anthrax and determining that they are safe for reoccupation.

During the exercise last fall, cleaning up the Capitol Hill complex and the post offices, here within the federal government led by the Office of Homeland Security, we developed a model that is now being applied at the other sites that are contaminated in New Jersey and here at Brentwood outside of D.C. and other locations throughout the United States.

We have developed a national coordinating committee that wrote a guidance document on cleaning up anthrax, decontamination techniques and is now developing a national response team guidance document on procedures on clearing buildings that have been contaminated with anthrax.

We are also working cooperatively with the post office, providing technical advice and with other locations where anthrax is still located in terms of appropriate alleviation (ph) techniques and also, we'll use the same approach we that applied at the Hart Building -- a multi-agency clearance committee for clearing these buildings.

So, we have many more tools in our toolbox than we had before. We are moving on now to the other biological agents of concern and, in fact, tomorrow Governor Whitman and Governor Ridge will announce that the EPA has been charged with developing a national center of excellence, based out of our Cincinnati laboratory, including specialized building

decontamination forces that can be deployed to as many as five major incidents nationwide at the same time.

So, we have come a long way in only a short time.

CORZINE: I appreciate the planning and the forward-looking aspect to this. I have a simple question of when can we expect to be back in Brentwood. When can we expect to be back in the Hamilton Post Office? Are there specific timetables that the community could look forward to?

STAFF: We're working very closely with the postal service. They are taking a very careful stepwise fashion. These buildings are very large buildings and unlike the Hart Building, they are contaminated at several locations throughout. And so, the post offices, looking at source control first, treating the most heavily contaminated areas and then going on to treat the entire building.

We expect to be fumigating the Brentwood facility in October. Plans are moving forward in that fashion and we will be proceeding once Brentwood is done with, treating the Hamilton township post office. We are currently targeting December. Again, this is all under the direction of the Postal Service, but the various federal agencies are coordinating very closely to make sure we are using the proper and protective techniques.

CLINTON: Senator Voinovich?

VOINOVICH: Mr. Allbaugh, the Columbus Dispatch, which I think you are familiar with in Ohio, ran an article this morning and it quotes from Mr. Jack Reall from the Ohio task force who is the leader of our team and was one of the first to provide assistance at Ground Zero.

You're not going to be here to hear Mr. Reall, but he claims that more money is needed for care of the Ohio task force members and for better equipment and health care in case of future incidents. We talked a little bit about this before, but what is, how do you respond to the issue of money for people who have already been injured. What are you doing about that? That is number one.

And then, number two, I'd like to see in writing and if it has to be confidential, I'd be more than happy to do it on that basis, you're going to be charged with the whole first responder thing all over the country correct? We had the hearings on that. You're going to have that responsibility.

ALLBAUGH: I hope so.

VOINOVICH: The issue then becomes, how many of those units are you going to have, how much equipment are they going to have and some of the details. I'd like to find out, you know. We'll start off with just the ones that we have, first responders that you have already approved. Where do they stand in terms of -- if we had another event tomorrow, do they have the equipment to move in there and not be exposed to what they were exposed to when they went into Ground Zero.

So, number one, what are we doing about the medical costs of some of these people in these first responder units in Ohio and other places in the country and second of all, what are we doing about equipment.

ALLBAUGH: Let me talk about equipment and training for those individuals' nationwide first responders. We have been talking for a year -- I feel like I am beating my head against a wall, and we haven't put any money in the hands of those first responders and only now are we able to put some planning money, thanks to Congress and their action. We received \$100 million for planning. That doesn't buy the equipment or give them the necessary training.

But it is a step in the right direction. These folks have to figure out exactly what they need. Quite frankly, I believe all the first responders know what they need and we need to move

expeditiously to put the money in their hands so they can buy that training and equipment to protect their individuals.

VOINOVICH: So, the fact is that the first responders that have already been approved in the country really have not yet got the equipment that they would need if we had another 9/11 tomorrow.

ALLBAUGH: Are you talking about the USAR team members?

VOINOVICH: Yes. The ones that are out there.

ALLBAUGH: No, sir. We haven't given them additional caches (ph). We've asked for that in our '02 and '03 budgets and '04 budget that's coming up. We haven't been able to buy the additional caches (ph). Every task force member is covered by our insurance, so any claims that they would have, health related, they will be covered and taken care of and every task force member knows this.

ALLBAUGH: They've been delivered a set of instructions in writing as to what to do in monitoring their own health, in talking with their own doctors. It will all be taken care of. They are our employees when I activate the task force -- each one of the task force. So, they fall -- and have the same benefits of any other FEMA employee who may be injured.

VOINOVICH: So, the compensation for health care you believe is being taken care of.

ALLBAUGH: Absolutely.

VOINOVICH: But in terms of the equipment, you need the money to buy the equipment.

ALLBAUGH: We're way short. We're falling way short. I will tell you, of all the claims that have been submitted on equipment reimbursement, we've approved every one of the team's request except for two. They've just recently, I believe, it's Nevada and Colorado, submitted their requests and we'll get them expedited as quickly as we possibly can.

VOINOVICH: As I said to you the last time, if we're going to have more first responders, how we treat those that are already first responders, are going to have a lot to do with anybody else is going to be interested in getting into this service to their fellow man.

The last question I have is for both of you and that is, what are we doing to ensure that the workers are kept up to date on information regarding their exposure and potential health impacts. The last time again we had hearings in March; there was this issue of mixed signals about what these folks were exposed to. And at the time, Mr. Allbaugh testified it was hard to get everybody together in the same room to coordinate the information.

Now, who is in charge right now in the federal government of coordinating all of the various agencies that are involved that have been evaluating the exposure of these folks and who is the coordinator and then, number two, have you been getting that information out to these folks, not only in New York, but all over the country that were involved at Ground Zero.

ALLBAUGH: We're looking for our guidance from HHS. They have been very successful, providing that leadership and every bit of information they share from us from a scientific standpoint, we get to every FEMA employee, every USAR employee. Those volunteers that came to help us at Pier 94 -- we're sharing as much information as we possibly can and it is all based on science.

VOINOVICH: So, HHS is the coordinating agency and EPA feeds into HHS and through HHS, the people who were involved then are informed about what they've been exposed to?

STAFF: Actually, ATSDR (ph) is keeping a registry, a health registry. They are working with the city of New York on this and they are collecting data now and will be keeping people informed through web sites, et cetera. But that is obviously something they are very dedicated to to make sure that people understand what the exposure was.

VOINOVICH: You are confident that everybody has been kept up to date on...

STAFF: I think it's an on -- sorry, Senator. It is an ongoing process, obviously and it is something that they are putting together now. They are working very closely with New York City to make sure they have access to the records that they need in order to do the appropriate, you know, development of this.

VOINOVICH: How about the people from Ohio and others that were first responders that were there, you know, I can understand in New York City they are there, but how about these other folks.

ALLBAUGH: We have an internal registry and we take care of those individuals who showed up that we know were in New York City and we share that same information.

VOINOVICH: You are both confident that finally we have a coordinated effort and the information is getting out on the street.

ALLBAUGH: I'm confident.

STAFF: Yes, I believe so, Senator.

CLINTON: Thank you all very much for being here this morning. We appreciate it. We're going to move quickly now to our second panel, Dr. Kerry Kelly, Madeline Wils, Danny Greenberg, Jack Reall and what we are going to try to do, as the panelists come forward is to ask each of you to summarize your testimony in five minutes. Your full testimony will certainly be in the record and that will give us a few minutes for some questions before we have to break for a vote, which is going to be apparently shortly.

Many of us recall the moving and quite profound testimony that Dr. Kelly provided to this committee literally within days of what happened on September 11, which directly affected her and affected so many of the people she knew and cared for in the fire department. We are very grateful that she would be here again.

Madeline Wils is a member of the community board number one in lower Manhattan. She is actively involved in many of the ongoing civic activities and has taken particular interest in trying to help the city recover and rebuild and serves on the lower Manhattan redevelopment corporation.

Mr. Danny Greenberg is president and attorney and chief of the Legal Aid Society. His society, which is a non-profit, was right in the midst of the destruction at Ground Zero. Of course, he had a very difficult time under the existing Stafford Act rules trying to get support and help for meeting his needs and FEMA was extremely helpful and creative in trying to bring about some help for the Legal Aid Society.

Mr. Jack Reall, the task force leader from Ohio task force one who responded to our desperate needs and we are delighted our chairman has returned.

And Dr. Kelly, if you would begin, I would appreciate it.

KELLY: Good morning, Chairman Jeffords, Ranking Minority Smith and members of the committee. My name is Dr. Kerry Kelly and I am a chief medical officer for the New York City fire department. Thank you for the opportunity to speak here today.

It has been a year since our view of the world was changed forever. It has been a year when unimaginable brutality was met by extraordinary acts of humanity.

As chief medical officer for the New York City fire department, it has been my privilege to care for the health and well being of our 15,000 firefighters, fire officers, emergency medical technicians and paramedics.

On 9/11, our members responded to the call for help at the World Trade Center. The members of the FDNY came from every borough and every rank to assist in the rescue of victims and suppression of fire. Focused on their task, they acted without regard for their

own safety. Three hundred and forty three of our members died that day, saving the lives of many.

The members of the New York City fire department facilitated the evacuation of more than 25,000 people, the largest rescue operation in United States' history.

Despite the staggering losses, the members of the FDNY persisted in their work after the collapse of the Towers. Over the course of the following weeks and months, they worked 24 hours a day, seven days a week to help in the suppression of fires which burned until December and the rescue and recovery efforts that continued until May.

Obviously, this has been a difficult year for our members, whose physical health and emotional well-being have both been deeply affected. In the initial collapses, the pulverized Towers sent a caustic cloud of black soot, gritty powder and choking debris, showering down on the survivors, blanketing our members as well as the survivors in that area.

Every breath was made difficult as the air became thickened with particulant matter. The injuries to our work force during this last year have been described in detail in the two attached manuscripts published in this month's issue of the CDC MMWR as well as the New England Journal of Medicine.

Two hundred and forty firefighters and emergency medical technicians were seen in emergency rooms that day. Although most were treated and released with respiratory and eye irritation, over 28 were admitted for more life threatening respiratory as well as orthopedic injuries. Over 90 members still remain off the line with orthopedic injuries from that day.

As our other members continue to work at the site, medical leave remain low as members dedicated themselves to the rescue efforts. But as the weeks passed, respiratory symptoms became increasingly problematic, with increasing symptoms of cough, wheezing, congestion and shortness of breath.

In response to these symptoms, our Bureau of Health services, partnered with the CDC and the National Institute of Occupational Safety and Health to develop a specialized comprehensive medical evaluation. Over 10,000 of our members were seen and evaluated at that time.

Because we had an existing infrastructure with preexisting database for the uniformed forces, this gave us the ability to evaluate both pre and post World Trade Center results. The results of those evaluations indicates significant changes in pulmonary function tests particularly.

Approximately 90 percent of our rescue workers had cough systems within 48 hours after the World Trade Center attack. Although 1,500 of the members showed a decline in pulmonary function tests, most of those people were able to continue at work, primarily because they had such excellent pulmonary function tests to begin with.

However, over 1,800 members were required medical leave for their significant cough symptoms. About 332 firefighters were absent from work for over a four-week period. This is what we defined as the World Trade Center cough -- people who both had symptoms and were missing from work for four weeks due to their significant symptom.

About 52 percent of these individuals have still not recovered sufficiently to return to the demands of the full firefighting duties. It is estimated that nearly 500 of our members may have suffered permanent respiratory disabilities as a result of the World Trade Center.

Since the attack, our members have also struggled with the emotional consequences of losing colleagues, near death experiences and digging through tons of rubble to find those who perished. The emotional toll of this event has clearly been very great.

Again, we were fortunate to have in place a preexisting counseling unit to help provide immediate services, and we also were helped with funding through Project Liberty, as well as through the FEMA, the Federal Emergency Management Administration, to give us that money.

Utilizing this funding, we have been able to provide needed services and we have developed new programs to meet new needs.

Fortunately, with treatment, some of our members who have sought treating, over 3,000 have been able to return to work, but about 250 members remain on leave with persistent symptoms.

One year after the attack, the fire department of New York continues to rebuild and recover, forever changed by the events of 9/11. For our members, it has been a difficult year as they experienced the direct trauma of the World Trade Center collapse, as they faced the loss of friends and family members and as they spent months searching and recovering for those who perished, while attending at the same time daily memorial and funeral services for their fallen brothers.

The department has been further affected by the retirement of both seasoned and experienced members, many of whom are leaving because of the demands of this job as well as the psychological trauma of this event.

We expect that up to 500 of those suffering from respiratory problems will be permanently disabled by this condition, many of whom have had their careers shortened by this respiratory problem.

The members of the New York City fire department responded to the call for help on 9/11 and they have not stopped responding since that day. They have given many times over as they dedicated themselves to the recovery at the site and in their support of the deceased family.

The initial federal resources that our department was given has been utilized to help our department and help us rebuild, but our ongoing efforts must be supported as we continue to monitor the health of our members as they cope with the physical and emotional stress of 9/11.

Senator Clinton's amendment would make \$90 million available for health screenings and long term monitoring. This funding is extremely important. Clearly, our recovery did not end with the closing of the site. It is an ongoing process that requires attention to both the medical and emotional well-being of our members.

Thank you for your past support. We ask for your continued support. Of the many vivid images that remain in our memory from 9/11, the raising of the American flag by our three firefighters helped a nation that was troubled and grieving. I think we owe it to the first responders and to the firefighters who gave to help them in their time of need.

Thank you very much.

CLINTON: Thank you, Dr. Kelly.

Ms. Wils?

WILS: Senator Jeffords, Senator Clinton, Senator Voinovich, thank you for giving me the opportunity to speak with you today as chairperson of community board one, the lower Manhattan planning board and director of the lower Manhattan development corporation. I represent the residents, workers and business owners of lower Manhattan.

I'm glad to share the public's view on where we are today, but first let's go back one year.

WILS: Everyone would agree, the weeks, months after September 11 that the city, state and federal government's efforts towards the recovery and clean up on the World Trade Center site was stellar.

However, there was a lack of concern for the community at large and their suffering and this was alarming. In the wake of the attacks, the EPA took a back seat to the mayor's office instead of taking charge of the public health efforts. It was their responsibility to clean up this devastated community that lived with the dust plumes, to breathe that and invaded our homes and businesses and the fires that continuously burned for five months.

One year after the attack on the World Trade Center, there is still a great deal of anxiety among residents regarding the type of pollutants that entered the atmosphere, how some of these materials are still being found in indoor spaces, even after cleaning, and, of course, the long term health implications from the exposure to these elements.

With the change in the city's administration and their interest in the environmental issues, the EPA and FEMA decided to initiate an indoor residential air testing and/or clean up program. This was, of course, widely applauded.

These efforts may be characterized, however, as too little, too late. The clean up program began in rolling candidates in the summer of 2002, nearly one year after the attack. By this time, the overwhelming majority of residents had reinhabited apartments, cleaned unprofessionally, or by workers without government oversight or scientific standards. Many of these people having endured enormous disruptions in their lives, are understandably reluctant, one year later, to turn their homes inside out, even though they may be at risk for continued contamination or for recontamination.

We have recommended to the EPA that the deadline to sign up for the residential clean up program be extended past October 2, 2002, until the end of the year. This would enable EPA to do more effective outreach, which is really needed, and overcome the accumulated public distrust. It would allow the agency to publish results obtained from the first months of testing, data that would help other residents make a more informed decision whether to sign up for this program themselves.

This information will also help the EPA make an informed decision on whether or not there is a need to expand the clean up area. Scientists have referred to the boundary of Canal, Allen, Pike Streets as arbitrary.

The EPA should conduct indoor testing northward and eastward across the East River to determine the range of contamination by the dust plume, which scattered debris, in some cases, for miles. It can then formulate an accurate and scientific boundary within which to pursue its testing and cleaning.

One of the drawbacks of the entire cleanup process was the lack of ability for FEMA to pay for the clean up of small businesses. The Stafford Act should be amended so that we can prepare in the future to help all those who deserve it.

Large businesses cleaned their own premises, but 95 percent of small businesses did not have insurance coverage for this purpose and could not afford environmental contractors. In fact, many of the approximately 14,000 small businesses cleaned their premises themselves, most likely insufficiently.

Schools, public spaces and parks that were copiously contaminated by the dust plume have received little attention from the EPA. It seems arbitrary, if not perverse, that places used by children for learning or play receive so little attention.

Most of these spaces, when tested privately, showed evidence of contamination, particularly asbestos. In the future, the EPA should consider testing or cleaning schools and parks a primary concern.

Initially, the EPA announced it would test only for asbestos. Now they have agreed to test for dioxin and heavy metals, but only in about 250 homes. Yet, contamination appears to be in many cases random or influenced by vagaries of wind that are wholly unpredictable. One floor of the building may show no contamination while another floor does. We asked that the EPA test all homes included in the program for these contaminants at least until a sufficient body of data has been collected to rule out any threat.

Some homes have chosen testing only and they should be tested for all of the above, not just asbestos, because the asbestos tests are generally non-aggressive. All homes that are cleaned should be tested for all of the above after clean up and all research data obtained should be released as soon as possible.

This should be accompanied by the complete explanation of all test methodologies used. This data should be documented on the Internet and in all local newspapers as well as in public discussions to help eliminate public distrust.

A number of research studies are investigating health impacts upon firefighters and other workers in the rescue and recovery efforts, residents who are encouraged to reoccupy homes immediately, close to Ground Zero, immediately after the incidents have also experienced respiratory problems, like myself, or other health impacts.

Research should be funded to study long-term health impacts on exposure to residents in the vicinity of the site.

On another subject, we applaud FEMA for showing flexibility in allocating money towards transportation projects in lower Manhattan. This money should be used not only to rebuild the aging, inadequate transportation infrastructure that existed before September 11, but on projects that will help rebuild our businesses, residences and accommodate new tourists (ph) by improving our links to the region.

In summary, we appreciate the EPA for its decision to conduct the air testing and cleaning program for the residents of lower Manhattan. They need to acknowledge, however, that their public outreach efforts have been inadequate and that they have an important obligation to keep local citizens fully abreast about what their ongoing testing uncovers of any potential health risks, which may emanate from their findings.

We recommend that the EPA do further outreach, extend the signup deadline and expand the scope and quality of the testing and clean up program.

I am grateful for the attention Senator Clinton has brought to this issue and I thank all the members of this committee for your support, your concern and for giving our recommendations your complete consideration.

Thank you.

CLINTON: Thank you very much, Ms. Wils.

Mr. Greenberg?

GREENBERG: Thank you.

Senator Voinovich, Senator Clinton, thank you for the opportunity to come here and speak a little bit about the role of lawyers in what happened after September 11 and particularly the non-profit Legal Aid Society, what happened to us and maybe extrapolate a little bit about FEMA's role in what it has done so well for the people of New York and our clients in particular.

The Legal Aid Society is the country's oldest and largest legal organization. We are a law firm for poor people. We started about 125 years ago. We serve 300,000 clients a year. We are in the lowest courts of New York City and state and we also have argued 40 cases in the United States Supreme Court.

We are the public defender in New York City. We are the appellate defender. We are the federal defender. We have represented 90 percent of the children in Family Court in neglect cases and dependency cases and we also have a very large legal services component, neighborhood offices throughout the city and we have foregone legal services corporation funding in order that we don't have restrictions on the work that we can do.

On September 10, we were seeing far too few of the poor people eligible for our services. On September 11 and September 12, the number increased by even conservative estimates to be at least 100,000 newly poor people who had lost jobs.

In addition, the headquarters of the Legal Aid Society is less than 50 yards from the Twin Towers. We are literally across the street from where they stood. The firefighters, the valiant, heroic firefighters stood in our building to put out the fires in number seven which burned for another day.

Our staff, fortunately, got out quickly and safely. One of our staff members took the blind woman in the lobby who runs the kiosk and for seven hours took her home to Queens because of the transportation being down and the inability to communicate with her family.

So, on the lowest and most important individual level and then on the systemic level, the Legal Aid Society was there. The food stamp system was down in New York. If you lived in Queens, if you lived in Bronx, if you lived in Westchester, nowhere near the World Trade Center site, with no one involved there, nonetheless, in your local bodega or in your supermarket, you couldn't get food if you had food stamps, because the electronic transfer system was down.

And in an amazing act, actually, the Legal Aid Society, which is so often castigated for its adversariness, it's working with government only through an adversary relationship, embarked, with the help of FEMA, in one of the more extraordinary collaborations that I have witnesses in about 30 years of doing this kind of work.

Suddenly, our lawyers had expertise that was valued by government and that food stamp system suddenly turned to us and said, how can we do this better and we helped the state department get out regulations that said to local store owners, if you give out this food and if the person in some rare case turns out to be ineligible, you will be held blameless and suddenly, all over the city of New York, literally hundreds of thousands of people were able to get food again. So too with the emergency Medicaid services that the state of New York provided.

FEMA was implicated in our work in two very, very important ways. The first was in ways that have not been spoken about here but deserve to be mentioned. There was, as you know, Pier 84 for the direct victims and their families and that was an extraordinary effort of all different kinds of services, including the private bar.

But FEMA set up a center in lower Manhattan that tried to service those people who were not direct victims, the busboy who worked in the World Trade Center on Windows of the World and was fortunate enough to be on the night shift, but suddenly living from week to week as he and his family was, had no money, had no way of even thinking about getting the money and couldn't get back into the place that they were.

And the FEMA center was this amazing confluence. It was exactly what advocates for the poor had said for 30 or more years -- why not put in one place all the services that somebody needs and bring the services to them instead of making them go all around to try to get the services. The FEMA center on Worth Street and Center Street in lower Manhattan was a model of what should have been -- public/private partnerships, not in rhetoric, but in reality.

FEMA oversaw it. They knew exactly who to bring to which table. The small businessperson went to the SBA table. The person with an eviction problem came to Legal Aid. Those

places -- the FEMA center was open on evenings, on weekends during the day and served thousands of people and we were proud to be part of that partnership with FEMA.

I think it succeeded beyond our hope of what could happen as people just poured in and were given all the help that they needed, including cash assistance from Safe Horizon (ph) and other places.

We had one other interaction with FEMA, which ends well, but didn't begin quite as well. As I indicated, our offices were across the street from the World Trade Center. We need to get back into those offices and have not yet been able to do so. We have insurance. We have claims. We are working on those things. But we also need FEMA assistance.

When we first asked for it, we were told as a non-profit that we were not an essential service. We were actually denied the claim. With the help of city and state officials, at the outset we put back the claim saying if those who were mandated to represent indigent defendants are not an essential part of this city, it is hard to imagine what is in keeping the criminal justice system going.

And equally important, clearly more important, Senator Clinton, with your help and that of Cara Hughes (ph) in New York City, FEMA has now turned around and said, we do understand. You are right. You are eligible and your claim will be processed and they have been extraordinarily helpful in helping us to even generate that claim.

So, the one thing I would say as I conclude in terms of help to this committee in thinking of the FEMA role -- whether it needs statutory amendment or merely to have FEMA understand it, there is an extraordinary role that non-profits played in the city of New York in the wake of this tragedy, extraordinary role that it needs to play in the rebuilding of downtown New York, but more important, non-profits throughout the country need to be valued and understood not to have resources, not to have endowments, not to have the ability to really move from year to year in a way that a great tragedy will inflict on it.

If we are to invest in the infrastructure of this country, then the understanding that non-profits, like the Legal Aid Society, play important roles that no one else can play needs to be addressed in a way that others won't have to come to congressional delegations to have their services needed.

Thank you for the opportunity to speak to you today.

CLINTON: Thank you very much, Mr. Greenberg.

Mr. Reall?

REALL: Good morning, Senator Clinton, Senator Voinovich, thank you. I am Jack Reall. I'm the task force leader of Ohio task force one of the Urban Search and Rescue Team. On September 11, 2001, my team of 74 responded to the World Trade Center tragedy to assist with the rescue and recovery efforts.

REALL: We arrived in Manhattan at 6:00 a.m. on September 12, where we remained until September 19. Our day shift crews were assigned to begin work immediately in the Liberty Sector on the southwest quadrant of the collapsed area.

During our operations, conditions at the site were hazardous at best. Dust and paper were everywhere. A night shift when I worked, visibility was extremely limited due to the dust in the air reflecting light.

While the paper became less of a problem throughout the eight-day period, dust and the smoke from the ever-burning fires were always present. During the first 24 to 36 hours of our deployment, respirators were difficult to obtain. We carry full-face cartridge respirators in our cache (ph) for compliance base operations. However, during this deployment, we recognize the need for half face respirators due to the extended wear requirements.

We were able to obtain half face respirators through the various volunteer supply sections throughout the area after a period of about 36 hours. At each of the daily briefings our teams had, hazards for the site were noted for the task force to prepare for. One day it was asbestos, the next day it was gamma radiation, the next day it was failure of the slurry wall.

Each of these was deemed less of a hazard after further investigation. However, early reports led us to believe that we may be exposed to any number of various lethal components.

Because of these warnings, we strongly encouraged the use of the most appropriate level of personal protective equipment available to us at the time.

Upon our demobilization and return to Ohio, our greatest concern was for the psychological and emotional scars this deployment would have on our task force. It took us almost two weeks for us to realize we were experiencing an increased number of illnesses. Fourteen of our members sought medical attention within weeks of the incident for respiratory ailments. Diagnoses ranged from pneumonia to reactive airway dysfunction syndrome.

One of our members was hospitalized for five days and treated aggressively for his symptoms. Another experienced a hernia due to the excessive coughing. Many others experienced infections of a non- respiratory nature -- skin disorders and various other ailments. Almost every team member experienced hoarseness, gravelly voice and nasal blockage for many weeks after the incident.

Until the recent published reports in the New England Journal of Medicine and the CDC, most of our members took their minor symptoms for granted. Fortunately, soon after our return, one of our team doctors surveyed our members regarding their health and treatment. He found the deployed members were 2.7 times more likely to require antibiotics for respiratory infections and 3.2 times more likely to require medical care than our non-deployed members.

This information has been extremely helpful in educating our team about the need for appropriate medical surveillance. During the development of the Urban Search and Rescue response system, the primary focus was on how to protect our members from failed structures that may collapse and trap us. For this, we learned how to shore up buildings with wood to create safe areas to work.

After Oklahoma City, we extended our focus to how to withstand the psychological and emotional effects of man-made disasters taking hundreds of lives. For this, we learned how to strengthen the support network, in both pre and post deployment to enable us to keep the people we have trained.

After September 11, we must extend our focus to the unknown health effects our members will face in short and long term future. For this, we must be able to monitor their health completely from the time they join the team until they retire from the team and in all phases in between.

Our Urban Search and Rescue teams function on a shoestring budget of \$150,000 per year. \$100,000 of this is eaten up immediately in fixed costs like insurance, utilities and maintenance of equipment. The other \$50,000 must be utilized to maintain training levels, provide basic protective equipment and plan for the times when we won't be reimbursed for our expenses.

That doesn't leave us much room for \$1,000 medical exam for 180 personnel. The budget has put us in a Catch-22 situation with the Department of Labor. Our members are repeatedly denied their coverage under federal workers compensation because we don't have enough data to create a causal relationship between the incident and diagnosis.

Yet, we don't have the funds to obtain full medical surveillance to provide that relationship. The member who spent five days in the hospital just had his third denial for his claim

overturned and approved for payment by the Department of Labor. He will be the first approval we have obtained one year after that disastrous day. His claim was for less than \$1,000.

Our Urban Search and Rescue teams have been available and on the scene of every major disaster since their introduction. Their members participate voluntarily to ensure every citizen in this country is given the best chances of survival in impossible situations. We should be able to ensure their safety whenever possible.

You and your colleagues have assisted us in our budget situation and made funds available to deal with the aftereffects of September 11. We appreciate that support. Those funds are just now becoming available to us. We need to be able to provide the support to our members, not just today, but for tomorrow as well.

Thank you.

CLINTON: Thank you very much, Mr. Reall.

We have a vote and we'll try to get as many questions asked before we have to excuse ourselves. But I want to ask Dr. Kelly and Mr. Reall -- first Dr. Kelly -- in looking at the future needs of the firefighters that you care for and taking into account what Dr. Prezant's (ph) research demonstrated clearly in the publications that have come out recently, do you currently have the resources you need to adequately track the physical and mental health of all those who responded at the World Trade Center?

KELLY: We do have an existing infrastructure. We have people and physicians and a staff who wish to follow people. But we don't have the current resources for that. We are set up to do annual evaluations of our members, but again, the two areas of concern are that so many of our members are retiring prematurely and we need a mechanism of following those individuals, which is a goal that we have.

And the second is I think it is very important to continue to support the people who are a part of our environment, because there are so many reasons for them to leave that we need to support what is going on in their mental and physical concerns.

Your group was there a week, so you can imagine how it is like for our group who was there so long. I think the nation looks to our group to see how we are doing as a group because of the exposures that we've had.

CLINTON: Well, you know, we have asked for the additional funding -- \$90 million that would go to the health tracking. \$25 million of that would go to the fire department to continue to do what you need to do, because I feel so strongly that we owe it to everybody, worker and volunteer alike who came to respond that we track and care for their physical and emotional needs. I think it is an obligation. I don't think there is any doubt about it. Our country owes all of those who were there that kind of assistance.

And Ms. Wils, I know that you've had some very positive recommendations about indoor testing and cleaning and I have to reinforce your point that we have to make sure that residents who were exposed are also included in the tracking and the follow up work, because a lot of them -- some didn't leave, but many came back as soon as they could and were there for week after week and month after month. And I appreciate your speaking out for the residents of lower Manhattan.

Mr. Chairman, I'll excuse myself to go cast the vote and I thank you for holding this important hearing.

JEFFORDS: Thank you for your excellent help. It is an important vote.

Dr. Kelly, as you know we have discussed many times over the last year the need for health monitoring and tracking programs for our first responders. I am impressed by the study you have conducted with New York City firefighters. Based on that experience, I would like to

know what you think an effective program would include and what would it cost -- the latter one may be a little problem for you, but.

KELLY: We are very thankful for Senator Clinton, who has introduced an amendment to help give us some resources for this. Again, we have an existing program, a bureau of health services with a facility, nurses; physicians who are prepared to follow people. What we are looking to do is to continue to monitor people after they have retired on the premise that these are people who have really been in the first line in a war and just as you would follow veterans who have been in an event, you want to follow a group of people that have been exposed to toxins and other substances that appear to be having some pulmonary problems.

The firefighter who is hired by our department has a set of tests done at the time they come on. We know what their preexisting pulmonary function test, chest x-ray; EKG is because we have them on premises. So, we have an ability to follow people if there are changes, for example, their pulmonary function test or their chest x-ray.

Our initial changes that we have been seeing have been people with wheezing and hyper-reactive airway disease. The concern we have is down the line. Will there be further changes, either in their breathing capacity or any restrictions in their lung because of the, again, the powder, the substances that they have been exposed to, as well as monitoring their other blood testing, EKGs, chest x-rays, CAT scans of the chest.

JEFFORDS: Well, thank you.

Mr. Reall, urban search and rescue teams are an important part of the federal governments disaster response and recovery efforts. But what can be done to increase the safety of these teams.

REALL: Well, I think a good start has begun already through the work of Congress in funding our preparedness for weapons of mass destruction nationwide. That will give us a lot of the equipment and the training needed to not only identify, but help protect our members in the event that we respond to incidents of this nature in the future.

I think the primary thing that we are going to focus our efforts on in Ohio are on, because we are not a single fire department team. We are made up of people from around the state of Ohio.

We need to concentrate our efforts on creating that baseline, medical, like Dr. Kelly spoke of and then being able to follow up and monitor the pulmonary function test annually or semi-annually on our members. We've identified that as a problem in these kinds of events now in these major collapses and it will be an ongoing problem, so we need to take the steps to be able to protect our members.

But, of course, that takes funding.

JEFFORDS: What can be done to increase the safety of these teams.

REALL: Well, right now we have to make some changes in our cache (ph) equipment in order to be able to appropriately identify the hazards at the scene early on, prior to the response of federal agencies.

We're there very early into the incident and it takes some time before you get different nuclear emergency support teams or EPA there to appropriately monitor the air. We need to be able to do that ourselves and make the appropriate recommendations to our team members for the respiratory protection and/or any other protection that they need at the site.

JEFFORDS: What additional resources are needed to ensure that teams are prepared for all types of disaster. I know that's a broad question.

REALL: I don't think we'll ever be prepared. We learn from each incident we respond to. We're not going to be ultimately prepared for everything that happens other than the fact that we have people that are willing to do it. That's the primary preparation we have.

The equipment is something that we learn on each incident, what different types of things we need and what is out there. Some of the things that after the World Trade Center incident, our respirators that we wear on a daily basis and even the ones that are available right now are not meant to be worn for 14 hours a day, day in day out.

They are just not made for that kind of arrangement. There obviously needs to be some work on those kind of pieces of equipment should we encounter something like that in the future -- decontamination equipment and the ability to decontaminate appropriately at the scene is a high priority as well.

Our decontamination of our team members didn't come in until three or four days after the initial response.

JEFFORDS: Ms. Wils, are the residents of lower Manhattan currently participating in a health tracking or monitoring program?

WILS: Yes, Senator Jeffords. There has been an effort just in the last couple of weeks to start an indoor air testing program. It has taken a while to get this started, because there has been many, many differing opinions in the scoping issues and methodology used.

And approximately, I think, about 4,500 households have signed up for this. One of the problems, though, is that if you sign up for just testing, if you -- if they bring in a modestly aggressive method to test for asbestos only in your home and if they don't find anything, they don't clean up.

These methods are questionable and people don't know what to ask for.

WILS: They are not that knowledgeable in this. And if you are being tested you are only being tested for asbestos and there has been clearly heavy metals, anything from fiberglass, mercury, lead and other dioxins found in the area and currently found in people's apartments, schools, parks from the private testing that has been done. So, it's going to be very important for, I think, for the EPA to, as I said in my testimony, they are currently testing 250 homes only for these other toxic substances and we think it is very important that after they clean up, they test all the homes for these substances.

JEFFORDS: Mr. Greenberg, your Legal Aid Society had extended interactions with FEMA and other federal agencies. Based on your experience, what suggestions can you give us today to help improve the federal government's interaction with non-profit organizations during and after major disasters?

GREENBERG: I think first, to reiterate, I think they were, by in large, very good, and in particular, the FEMA center downtown, I think served many of the people that Ms. Wils talked about and many others.

The definition of who is a victim, I think, could be somewhat broader. We have defined a victim as somebody who lives in a geographic area, but obviously, if you worked in that geographic area and your job ceased to be any more, even if you lived in Queens or in some other part or in New Jersey or some other place, clearly you need some kind of help and the flexibility to define who is a victim, I think it needs to be somewhat broader rather than merely being geographic.

Secondly, as to non-profits per se, again, I think they play an important role in all the help that people need after a tragedy. I think that the definition that a non-profit can be eligible for FEMA help, even if they are not strictly in the terms that now that FEMA used, an essential service, that broadening of definition would be helpful.

JEFFORDS: Senator Voinovich?

VOINOVICH: Thank you, Mr. Chairman.

Mr. Reall, thanks very much for being here today and thanks for your task force members responding to September 11 tragedy. I think you know that the members of this committee and I'm sure Administrator Whitman and Director Allbaugh are concerned about the health of your members -- when I read your testimony, I was outraged at the fact that one of your members was turned down twice and then finally approved for a payment of \$1,000. Were you here for the testimony of Mr. Allbaugh?

REALL: Yes, sir.

VOINOVICH: Do you want to comment on that testimony? Basically, it was like, they are all being taken care of, but the fact of the matter is that they're not being taken care of and the fact is that the compensation system is not within the framework of FEMA, but rather is in the hands of the Department of Labor. The question is, does the right hand know what the left hand is doing?

REALL: I think we have been notified on how to appropriately fill out paperwork for compensation claims. There has been a lot of confusion internally within our team about how those should be handled. But even when that was cleared up, we have quite a few members that received denials on a regular basis from the compensation claims. A lot of that, again, has to do with the fact that right now we're not doing appropriate medical monitoring of our team members. We just don't have the funds to do that. So, it's difficult to create that relationship.

We've followed up -- our team doctors are doing quite a bit of work to follow up with the denials and make sure that they are taken care of as best can be and to provide the support for the claims so that it can be overturned and the claim be made.

I, too, when talking to my team am somewhat outraged by the fact that they are being turned down a little over a year later for claims and none of us are experiencing the significant health problems that the New York City fire department is. We're in the moderate to mild exposure range as identified through the New England Journal of Medicine report and the CDC report.

But still, we need to take care of our people.

VOINOVICH: How many did you have at Ground Zero. I've forgotten.

REALL: Seventy four.

VOINOVICH: So, out of the 74 you had 14 that seemed to be the ones that are most -- have all of the 74 had complete physical examinations?

REALL: No, sir. We don't have a system in place to allow a team such as ours and many other teams -- Senator Corzine talked about the New Jersey team. I believe they are in the same situation we are -- they're multi-jurisdictional teams. I individually have a system in place to get baseline physical and annual medical testing done through my fire department, my primary employer, but as a team, we don't have that kind of system in place and we don't have a standardized pulmonary function test to utilize for team members.

VOINOVICH: It seems to me that at this stage of the game that that would have been one of the first things they would have done -- I'd like any other comment from any of the witnesses. Have you experienced this same thing in terms of compensation at all? Have people complained to you about the fact that they had to go through all kinds of paperwork in order to get help?

KELLY: Our department was in place and we were ready to take care of the physical needs of the firefighters and the EMTs who had been at Ground Zero so that we were able to pull together the resources that we already had in place and put together funding through NIAGE (ph) and the CDC to do these medicals, because we were aware very early on that people

were having respiratory problems. We started seeing those symptoms very quickly and because we have an occupational medicine program in place for our New York City fire department, we were able to notice these symptoms and respond quickly.

VOINOVICH: So, you did it yourself. Have any of them filed for compensation under the federal program that Mr. Allbaugh made reference to. I think it's called the federal -- it's like a federal workers compensation program. He basically said in his testimony, well, they're all now like working for the federal government.

Have your people used that system or have they just gone outside...

KELLY: I don't know the answer to that. We have our own mechanism in place for disabilities which, again, probably 500 of our members will be applying for respiratory disability and we have 100 to 200 with some emotional, you know, psychological problems.

VOINOVICH: I can see their part of the workers comp system in New York City. They were on duty and their workers comp system is handling it. The folks that came in as first responders belonged to a multiplicity of fire departments and other units, EMS units. Am I right, Mr. Reall?

REALL: Yes, sir.

VOINOVICH: So, they are not covered by their own personal systems because they did not arise -- or cause from their duty, so they had to go to the federal system. Now, that's the difference. I would be interested -- we ought to inquire, Mr. Chairman, of the other units that have come there, not only from Ohio, but from around the country to find out whether or not they are experiencing the same kind of frustration that they are in Ohio.

There ought to be a system in place that, first of all, these people are going to do this, that there are physical exams that are ready to go and begin with and after, if something like this, God forbid, happens again, that they come back, they have physicals. There ought to be a regular protocol regimen in place to move on all of these things quickly.

This is a real problem that we have identified here this morning.

REALL: I can tell you that of the funds that have been made available to us and that Director Allbaugh made mention to will become available before the end of this calendar year. Our team has identified the number one priority is baseline medical testing and putting funds aside for continuous medical monitoring for that reason.

VOINOVICH: Now, is this money coming out from FEMA? Are you going to be able to use that money then, for the medical side of this thing?

REALL: It is identified in five different categories for use, but yes, we are going to be able to use it for that -- for the medical monitoring. And by all means, Director Allbaugh has been a proponent of getting the funds necessary for us to accomplish our entire mission, not just getting the tools out to the places but actually taking care of the people that are doing the work. He has been very aggressive in that and I appreciate that. It just takes time. It's just now becoming available.

VOINOVICH: Has FEMA identified new equipment that you ought to have in you call your "cache" (ph)?

REALL: Yes. We spoke earlier. I think we have identified on the respiratory and testing side several pieces of equipment that will become beneficial to us and we are going through the process right now within FEMA to make those cache (ph) items nationwide so that all cache (ph)...

VOINOVICH: OK. So, they have identified the new items so that if something happens when you go in there, you would have the stuff right now rather than having to get it from volunteers like you did the last time around.

REALL: That's correct.

VOINOVICH: It was interesting, Mr. Greenberg, about the fact that FEMA recognized a one stop shop and I'm a little surprised -- I am surprised that that was not something that was part of their stock and trade. It had to be suggested to them.

The reason I am raising this is that we had a terrible flood in Ohio when I was governor in 1997. And I came back from an overseas mission for that and wondered, you know, how needed I was. One of the things that I found out that everybody was going to a different place to get the help that they needed. And I suggested this is nonsense. Let's just have one place where people can go and they can go from table to table and get the help that they need.

Was that something that they suggested to you or did you have to suggest it to them.

GREENBERG: No, I think that the model -- first, the city of New York had set up at Pier 84 directly for the families of victims exactly this kind of model. And I think then out of that, FEMA and the number of agencies that were very involved in delivering other help said, well, there are a lot of other victims.

They are a secondary tier, if you will, and it makes sense to replicate and maybe they got it from you. But however it all turned out, I think that model was in effect for many months and I think it was actually quite extraordinary.

It was, as I said, the first time that I ever saw the response of government to poor people being, and I will be frank about this, you are entitled to this service, we want to make it easy for you to get this service rather than what I encounter as a more traditional response -- you may be eligible for this, but we're going to put up road blocks and if you can make it through all these road blocks, well then you will get the services.

VOINOVICH: It reminds me -- it's typical, the Department of Labor dealing with their compensation claims. In other words, it's the whole -- see change in terms of we want to help you get what you are entitled to and facilitate that, which is wonderful, which we should be doing.

I understand there is always this idea that people are trying to rip it off. I mean, it's the other way around. The people that are trying to do that are the exceptions to the rule. Let's help the people that really need it.

You all had a chance to hear from Administrator Whitman and Director Allbaugh's testimony. Just for the record, is there anything that you heard during that testimony that you took -- you disagreed with -- substantially disagreed with that you would like to have in the record here? You heard their testimony. Is there anything you want to comment on in regard to their testimony where you think that perhaps they didn't portray a situation as it was and we need to look at it?

WILS: Senator, the only thing I would like to say is that when it was discussed that we are learning every day and that one thing we have learned to do is be flexible, the only thing I would say is that we are not anywhere near the end of our road yet. We are -- we still have homes and businesses downtown that are not cleaned up. We still have people who are suffering, both emotionally and physically.

So, the only thing I would say is that they continue to be flexible and even more flexible than they currently are. I think there are still a lot of lessons to be learned and I think that they should actually -- we should find a way to document them all so that everybody can see what needs to happen if, God forbid, we should have something like this occur again.

VOINOVICH: So, you would suggest that maybe after a period of time, we don't know what that is, but there will be an end time, we go back and review all of this and then what we would do is at the agencies that are dealing with this, they could develop protocols to deal

with it so that if something happens, we have all these things worked out and we wouldn't have to learn again from experience.

WILLS: Absolutely. The one thing that was very clear living through this was that nothing like this had ever been experienced before, that the city, state and federal government had no idea how to handle it and the fact that it has taken a year to put together a cleaning program or a testing program or we still have schools that haven't been able to be cleaned yet. I mean, the fact that it has taken so long to get everything done is really a testimony to the fact that this is the first time that something like this magnitude has happened.

VOINOVICH: I'm glad I was here today, because I was at Ground Zero right afterwards. I took some extraordinary pictures with my digital camera. It is almost as good as the ones that were in the magazines.

Then my wife, Janet, and I were back at the federal court house and then down for the wreath laying. And of course I took pictures of what it looked like afterwards. And it was amazing to me how they were able to get that cleaned up.

But basically you are saying that - my message from you today is that the aftermath is still around and there is still a lot more work to be done and the fact that it is cleaned up - everybody says, well, it's cleaned up now and the idea is, what are we going to do with the - it's not cleaned up. We've got a lot yet that has got to be done.

WILLS: Senator, I would just like to add, they did an unbelievable job and everybody around the United States helped with the job that was done to clean up the site. But I can just show you pictures of one home and I'll give these to you, that it took FEMA and EPA seven to eight months to decide whether to help these people or not.

So, across the street, they were doing a great job. But across the other street, they really have a difficult time of being flexible enough to help people who are in dire need. These people are still out of their homes a year later. Twenty three homes in this building still not cleaned up.

GREENBERG: I guess that what we are saying, in a way, even as we compliment the extraordinary response and the deserved compliment it gets is that as we think about going forward and \$2.5 billion for an infrastructure to do transportation and rebuilding, which is absolutely essential to New York, absolutely essential to the economy, absolutely essential even to my clients. It's very important not to lose sight of the individuals who were harmed and to do what government has always proclaimed it wants to do best, which is to help those individuals in the individual ways.

I am buoyed by hearing the testimony that says that there is flexibility and in fact, I've witnessed that flexibility. But certainly in keeping with what you are saying, Senator, keeping all people's eyes on the need for that flexibility is going to be essential as we go forward.

VOINOVICH: If I were you, if you have an opportunity, I would continue to see if you can't follow up with a national media on some of the things that you have talked about today so that you can keep it on the front page or somewhere so that people are paying attention.

Your two senators have done a good job of bringing this to the attention of the senate, but the fact is, we're on with other things right now and sometimes - I'll tell you the other thing, another reason why maybe you ought to be doing it, because we are considering today, you know, dealing with Iraq and the threat to our nation and so forth.

And I think for too many people, 9/11 was just something they watched on TV and it is over with and we are so insensitive, I think, today because of so much that we see. I think this needs to continue to be in the minds of the American people about how - what a terrible, terrible thing this was for our nation - not only for immediately the people that died from it but it's just like, it's just continuing to send out waves and they are still going, aren't they.

They haven't stopped yet, have they? And I think that that is important for us to fully comprehend what this is about.

Does anyone else want to make any comments about what was said here today?

Well, I thank you very, very much for coming here today. I am so glad I was here to hear you.

Thank you.

The meeting is adjourned.

END

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS DEMOCRATIC RESPONSE TO THE PRESIDENT'S WEEKLY RADIO ADDRESS, 12/28/2002

CLINTON: Good morning. I'm Senator Hillary Rodham Clinton from New York.

Tonight at the stroke of midnight, nearly 800,000 Americans will lose their extended unemployment insurance. These are Americans who used to work in our factories, our businesses, our restaurants and our neighborhood shops. They've spent month after month searching for work but, through no fault of their own, have been unable to find jobs in these difficult economic times. For them and their families, this has been a holiday season filled with too much uncertainty and not enough joy.

This year did not have to end on such a sad note for them. We passed a bipartisan bill in the Senate which would have continued to allow individuals to qualify for a one-time 13-week extension, providing more than 2 million Americans with the help they needed to pay rent, buy food and purchase clothes for their children.

But the House Republican leadership refused to pass this bill. They ran out the clock and went home for the holidays without even allowing a simple vote.

I was pleased to hear President Bush announce his support for an extension of unemployment insurance in his radio address two weeks ago, and I look forward to working with him in the new year.

I only wish that he could have made that statement several weeks earlier, in time for the holidays. That delay meant that, this month, millions of Americans are without the money they need to get by -- money that would've gone right back into our economy when spending is at its highest rate all year.

Now that the president has endorsed this extension, I urge him to support a meaningful plan, a plan that extends benefits for 13 weeks and covers people who have exhausted all of their benefits. Anything less would leave millions of Americans to begin the new year with empty pockets and little hope.

In my state, 63,000 New Yorkers will lose their extended benefits tonight. And in New York City, 35,000 people, many who lost their jobs as a direct result of the terrorist attacks on September the 11th, are being cut off tonight, left to wonder how they will pay their bills in the new year.

Many will be forced to leave their homes and take their children to shelters. And a new report shows that 40 percent of the homeless population is now made up of families with children. Is that the kind of America we want in 2003?

Our country is at its best when we're at work building cars and computers, opening new businesses on Main Street and in office parks, inventing new technologies and planting new crops. This entrepreneurial spirit and work ethic are the great characteristics that fuel our nation's economic engine.

In the recession of the early 1990s, our country increased benefits five times. Today, our unemployment rate has soared to 6 percent, and Congress and the president have extended benefits only once. And once is not enough.

Extending unemployment insurance is not only the right thing to do for Americans in tough economic times, it's also smart economic policy. Every dollar we provide to the unemployed will be spent many times over. According to the Department of Labor, a dollar invested in unemployment insurance generates \$2.15 in our economy.

Now, some will say we don't have enough in the Treasury to extend benefits. But we do. The money is there. \$24 billion sits in the unemployment insurance trust fund created for this very purpose, to help Americans when they lose their jobs. That's enough to pay for the Senate-passed bill five times over and much more than enough to cover another 13-week extension.

Tonight, time runs out on the unemployed. But we can start the clock all over again in the new year. The Senate, the House and the president should make a joint new year's resolution that the first order of business in the 108th Congress will be to pass a meaningful 13-week extension of unemployment insurance.

We owe hardworking Americans and our own economy nothing less in the new year. It will come too late for this holiday season, but it's never too late to do the right thing.

I'm Senator **Hillary Rodham Clinton**. Thank you for listening. And I wish you and our country a peaceful and happy new year.

END

SENATORS HARKIN (D-IA) & LIEBERMAN (D-CT) HOLD A NEWS CONFERENCE OPPOSING PRESIDENT BUSH'S PROPOSED FUNDING LEVELS FOR EDUCATION, 1/8/2003

CLINTON: And you keep talking a good game, and you keep doing the photo-ops.

And then in a few years you say, "What did we tell you? Public education just can't make it. There's no point in continuing to put money into public education. Let's just wash our hands of it right now, and go straight to vouchers. Let's privatize education because you know we tried -- we tried so hard, we put the little red schoolhouses in front of the Department of Education. We had all of these little photos-ops all over America. We just talked and talked about how important this was. And guess what? It couldn't happen. Because, you know, we do have a lot of children who are coming from extremely poor surroundings, who don't even have, you know, a parent in the home, let alone two parents, who don't know where their next meal is coming from, who English is not the first language. And yet, you know, we just couldn't do it. So let's just give up on this public education enterprise."

Now, I'm telling you that's what's coming. The unfunded mandate is going to be followed, probably after the election of '04, with a claim that, "You know, we tried so hard. We did everything we could. And, you know, we just can't fix it."

Well, what I think we're trying to say here today is we're not giving up in this legislation. But more importantly, we're not giving up on public schools and we're not giving up on our children. And anybody who thinks we are is in for a fight.

Thank you very much.

(APPLAUSE)

HARKIN: Great way to close this...

(LAUGHTER)

CLINTON: Superintendent, you're the person on the front lines who does the actual hard work.

HARKIN: I thank my colleagues for being here.

I want to note that Senator Kennedy, but for an illness in the family, obviously, would have been here today.

And secondly, Jeff Bingaman mentioned our departed colleague, Paul Wellstone. Paul and I had many discussions during the development of this legislation. He went one way on it and I went the other and supported it. But he always said, as Jeff said, he didn't think that the resources would be there from the administration.

Next week -- I think it will be next week, anyway -- when the budget comes up next week, the appropriations bill comes up, we'll be offering an amendment that will bring this money back up to the level. It'll be \$4.5 billion more than what we had when I was chairman. It'll be \$4.5 billion more. And I'm going to call it the Paul Wellstone amendment.

(APPLAUSE)

With that, we'd be -- thanks to all my colleagues for staying here to answer questions. OK if we have any questions?

QUESTION: (OFF-MIKE)

HARKIN: I can only speak for myself. Senator Durbin and I have spoken about this in terms of these unfunded federal-type mandates, that if the money is not there, then why should we continue to impose these on our local schools? Perhaps we ought to suspend it. Not get rid of the bill, but just suspend it until such time as we're willing to meet our commitments. I agree with Senator Durbin on that. Again, I'm just speaking for myself.

(UNKNOWN): I do, as well. I think that's exactly the way to go.

CLINTON: Well, I would hope we wouldn't get to that point.

You know, I believe in accountability. I am strongly in favor of the philosophy behind this legislation that was developed under Jim Jeffords' leadership and the Health Committee and Senator Kennedy's strong advocacy and so many of us who've worked on these issues for so long.

But I will not be part of perpetuating a fraud on either our children or the American people. And I think that's what it really comes down to. I'm not going to act as though we did something to help this superintendent and school districts throughout my state when, in fact, I know all we've done is transfer a huge tax burden on their backs, which in a high-tax state, like mine, is an unbearable burden.

So I'm going to watch it very closely.

CLINTON: But I certainly think that, you know, my colleagues are on the right track in pointing out what we think would have to be the consequences were this not to be changed.

QUESTION: (OFF-MIKE)

(UNKNOWN): Well, I will, without hesitation, say I will oppose it.

(UNKNOWN): Same, I'm not going to support that. Again, I'm not going to support this, what the president's proposed, \$36.4 billion in the first year and what we can do with that in education.

I tell you, ask just about any American citizen out there -- ask their families, school board members, principals -- which they think is the best priority for America. This is where our priority's at. No, I'm not going to support that.

(UNKNOWN): I don't either. This is one year we're talking about there. This isn't the full amount of the bill.

You could make a case that double-taxation on dividends intellectually may have some merit. But the idea that you'd take some \$600 billion off the table to provide a tax benefit for 10 percent of the beneficiaries, while simultaneously we're talking about a war in Iraq and devastating problems at home, not to mention staggering state budgets, a problem in education, a problem in education, a problem in transportation, problems in the environment, problems in health care, one has to ask one self, where is this administration's head? Where do they think the money's going to come from?

We're just driving up deficits, once again, in this country, crowding out private capital, causing mortgage rates to go up, college payments to go up, car payments to go up. That's a tax increase on average citizens.

So this ought to be defeated soundly, in my view. And the administration ought to be, by the way, temporarily set aside its commitment to provide additional tax decreases that were adopted in 2001, in my view, as well. These are priorities that are absolutely essential if America's going to succeed in the 21st century.

There's no more important or more fundamental issue than the issue of education. This is an issue that more people talk about in America, politically, but do less about, in my view.

We contribute less than about 2 percent of our federal budget, the entire federal budget, to elementary and secondary education. We're only contributing about four or five cents, six cents maybe out of a dollar for the education of children at the elementary and secondary schools.

There are 55 million kids who went to school in America today; 50 million of them went to a public school; 5 million went to a private or parochial school. Let me just second what Senator Clinton said earlier. I have no doubt in my mind what this administration's about. This administration's about destroying public education. It's about guaranteeing in the future that we're going to have nothing but vouchers for private and parochial schools. The American people need to understand that while we may not be happy with the quality of public education, we need to get together to fix it and not to destroy. And this administration, by cutting back on the funds and walking away from it, is doing just that.

And so, we need to put aside these tax cut ideas and start investing America's wealth in areas that are going to be critically important for our well-being. And none is more important than this one, the education of the 21st-century adults of this nation. And we are short-changing them if we don't do it. That's why we're going to fight as hard as we can.

Thank you all very much.

END

PRESS CONFERENCE WITH SENATOR HILLARY RODHAM CLINTON (D-NY) AND SENATOR HARRY REID (D-NV), 1/9/2003

LOCATION: SENATE RADIO/TELEVISION GALLERY, WASHINGTON, D.C.

SEN. **CLINTON:** Well, thank you very, very much. You know, last year we created the new Homeland Security Department, but creating this new department without the right components or resources is like building a hospital without hiring doctors or nurse, and without properly filling this hollow shell we will be no closer to a safer, more secure America.

On the first day of the 108th Congress, I introduced the Homeland Security Block Grant Act, which I introduced before, which would provide direct funding to our communities -- our police officers, our fire fighters, our emergency responders. That was my first order of business, because I believe these people are our front-line homeland defenders, and they deserve more help than they've gotten so far.

Also at the top of my list is improving the safety and security of our nation's nuclear power plants, which is why I am so pleased to be here once again standing with my friend and colleague, Senator Harry Reid, to reintroduce the Nuclear Security Act. We are introducing this legislation because not enough was done in last year's homeland security bill to improve nuclear power plant security. We are reintroducing it because my constituents in New York, as well as people around the country who live near one of these plants deserve to have the assurance we've done everything we possibly can to hold these plants to the highest safety and security standards.

New York has six nuclear power plant, and we have millions of people living near one of these plants. In fact, our plants at Indian Point -- very close to where I live in Westchester County -- are in the most highly populated area of our country that has a nuclear power plant. And I have to tell you every time I go shopping or go anywhere in Westchester County, the first question that I am asked is about Indian Point: Are these safe? Is it safe that we can, you know, feel assured that if something terrible were to happen it would be taken care of?

We need new and higher security standards. We need to test the security at the plants, including government run, force on force, mock terrorist exercises. We need highly trained and very well equipped security personnel in adequate numbers to defend these plants at times of heightened states of alert, and we need to assure that the evacuation plans and emergency response and preparedness programs are acceptable.

Now, here is why Harry and I are even more concerned today than we were when we first started working on this at the end of 2001. A recent survey of NRC employees -- Nuclear Regulatory Commission -- shows that one third of employees, quote, "question the agency's commitment to safety, and almost half say they do not feel it is safe to speak up at the NRC." That's according to today's Washington Post.

The Post goes on to say: "Although almost 90 percent of the agency's executive-level employees answered favorably to questions regarding the commission's commitment to safety, less than two thirds of those in the mid-level ranks said the same." And a recent report by the NRC's inspector general found, quote, "NRC appears to have informally established an unreasonably high burden of requiring absolute proof of a safety problem before it will act to shut down a power plant."

And, to top it all off, according to a piece in the New York Times earlier this week, the NRC has ruled that the risk of terrorism is too speculative to be considered when making nuclear reactor licensing decisions. Now, this is hard to take. I don't know what is "speculative," number one, about an attack that we suffered within miles of these nuclear power plants outside New York City. Nor is it speculative to be concerned about what we found in the caves of Afghanistan, which included drawings of nuclear power plants. Nor is it speculative to be concerned about the information we have received from some of the interrogations of suspects with respect to al Qaeda future plans and learn that yes indeed power plants are on their target list.

I will be requesting that the Senate Environment and Public Works Committee, along with Harry, and I hope other of our colleagues, will hold hearings to determine whether the NRC is putting the interests of the industry it regulates above the interests of safety and security at our plants.

I am also very concerned that the idea of the revisions to the basic threat that were supposed to have been done a year ago, have not been accomplished yet. Earlier this week the NRC issued an order to all nuclear power plants to enhance facility access authorization, and it took the NRC almost 14 months after September 11th to take this simple, common-sense step toward increasing security. The NRC is simply taking too long. It is either unwilling or unable of its own accord to take the steps necessary to give us the assurance we need.

So that is why that although today we are introducing the compromise bill that passed the committee last year, we view this as a starting point. And we will continue to follow this extremely closely. And we are especially concerned that our initial emphasis on trying to federalize the security force at these plants was met with such a wall of resistance by the energy industry, as well as the NRC -- and then we find out from reports done by the industry itself that security guards do not feel they could adequately defend the Indian Point Plant -- and there are indeed other places in the country where this was true as well. That's why earlier this week Senators Reid, Jeffords and I asked the General Accounting Office to look into the security guard issue. And we will be coming forward with additional plans as we get into the legislative session. But I think it's a little bit of a sad commentary that Senator Reid and I are here today reintroducing this legislation with even more evidence that we have to do something, because the industry and the NRC are not doing enough.

SEN. REID: If this were the only article that appeared dealing with the security of our plants, then maybe we shouldn't be as alarmed. But this is not the only article that deals with the security of our nuclear facilities. Workers question NRC's pledge on safety. The result -- the reason we have this is these workers know we have tried to do something about it.

I was criticized for referring to the people that guard these plants as "rent-a-cops." Well, I didn't mean to denigrate the people that worked in these plants, but I wanted to make the point. That point is that the people who are guarding our nuclear facilities have one standard at one plant, another standard at another plant. They are security that you hire for the lowest bid. That's not a good way to protect these most volatile facilities, nuclear reactors.

The tragedy of September 11th I think taught us many things, and that's an understatement. It taught us the vulnerability of our nation's buildings, and I hope indicated that we should have some resolve. Well, we've in many circles talked a good game, but really haven't done all that we need to do about it. We have directed attention, as we should, to the first responders, the brave men and women who arrive at the scene of these emergencies. And they still have the responsibility in state and local government, but very, very, very few federal resources.

Finally, we are reminded that we must be prepared for today's threats, because today's threats become tomorrow's attacks.

Last year we introduced, as Senator Clinton indicated, legislation to improve the safety of our nation's nuclear facilities. A year has passed -- nothing's happened. That's not acceptable.

Recent reports by the NRC and the inspector general's office paint a bleak picture of the NRC's commitment to safety and certainly to security. This doesn't help. A few days ago the inspector general released a survey -- another survey, one dealing with NRC employees -- and we talked about that at some length this morning.

What will this legislation do? It will establish a task force, chaired by the Nuclear Regulatory Commission, to take a comprehensive look at the security of our nation's facilities. It will assign a new federal security coordinator to each nuclear plant. Now, it will not federalize that plant, even though there are some of us who believe that should be done. But it will provide a federal security coordinator to make sure they are doing each -- doing the right thing at each plant. There will be some agreement as to what should be done at each plant -- not a facility having one standard and another facility having another. It will establish a new anti-terrorism team, which will provide additional support to the additional private security forces. It will require the NRC to update the threats to nuclear power plants. It will require the NRC to make a comprehensive review of emergency and security plans. It will require the NRC to establish a new threat level system for nuclear power plants. It will require a new rigorous program to test nuclear facilities against realistic threats, as Senator Clinton has outlined.

In developing this legislation, we have listened to the concerns of the people that work there -- the guards and others -- instead of the nuclear power industry. It's time for this administration to live up to its commitment to make our nation's nuclear power plants more secure. They should join with us. This should be legislation that they support wholeheartedly. Why wouldn't they? These power plants are aging, their old. When they were constructed, there was never any idea that someone would try to do an act of terrorism and cause damage.

You know, we are now talking about a conflict perhaps in North Korea. Do you know why we are backing away among other reasons for a military strike on facilities there? Because of what would happen if that terribly poisonous substance were released. The winds blow toward South Korea. It would be devastating to hundreds of thousands, if not millions of people. That's what we are talking about here -- six power plants in New York, power plants all over the country adding up to over 100. And we have inadequate security. Do you think that we enjoy standing here and broadcasting to the world that our nuclear power plants have inadequate facilities? We don't enjoy that. We don't think that's the right thing to do. But how else are we going to focus attention on something as necessary to the security of this country? The only way we can do it is talk to you folks. Hopefully you will write something about this. This is something that needs to be done, and we shouldn't be the lone rangers out here talking about it. We should have the support of the soon-to-be Secretary Ridge and the entire administration saying, Yeah, that's a good idea -- how are we going to accomplish it?

We would be happy to take questions.

Q Haven't you reached out to Ridge or other members, Senate Republicans?

SEN. REID: The answer --

Q And what kind of bipartisan support --

SEN. REID: The answer is yes. But the administration is focused on how much it is going to cost. It will cost some money to do it right -- not a great deal, but it will cost some money. And we have had a blow-back that anything that costs money -- Fritz Hollings has had the same problem with port security. The answer is yes.

SEN. **CLINTON:** I would point out that we were able to get a compromise version of this legislation through the EPW committee, and couldn't get any further than that. But we are going to try again.

But I want to underscore Harry's point. You know, this is one of those issues that is really hard to talk about or to contemplate. And I am very frustrated that somehow the administration believes it can do what needs doing with respect to our security without spending any money in order to get it done -- or without asking any industry to do more on its own -- not just the nuclear power industry. We had a chemical plant bill that didn't get anywhere, because the industry was against it. This is very troubling to me. You know, securing our borders, securing potential targets, is everybody's business, and it should be a joint government-business partnership to get it done. But, here we are talking about this 15 months later.

SEN. REID: Let me say this: The people of Nevada -- rather than having a \$700 billion tax cut would rather have a \$120 million spent over the next five years to make sure that nuclear power plants are safe. What would any person -- you don't have to answer it -- but what would rather have? A \$700 billion tax cut or making sure our nuclear power plants are safe? It costs \$120 million -- that's not a figure we made up, we got it from the Congressional Budget Office -- \$120 million versus \$700 billion in tax cuts -- and most of the tax cuts of course go to the rich.

Q What are the prospects of this coming up before the committee soon?

SEN. REID: Well, you know, we don't run the committee anymore. You'll have to ask others. We're going to do everything we can -- that's why we are here today so early. This in my opinion is an emergency.

SEN. **CLINTON:** You know, one thing I am told will come up before the committee is the extension of something called the Price Anderson Act. That is a guarantee by the taxpayers of America to insure nuclear power plants, because of course they are uninsurable, and there have been historically a commitment to nuclear power that told the energy industry, We'll stand by you, we'll clean up after you, we'll make you whole. When that provision comes up for reauthorization, I think a number of us will be raising these additional questions. If the American public is the financial guarantor of potential losses arising out of nuclear power plant shutdowns, accidents or attacks, or the industry that runs them, where's the equation that includes public safety and security? So it's something that I think we'll have a chance to raise, but of course we have to get some support for it.

SEN. REID: I haven't had a chance to tell you this, but I understand they're trying to work this in -- Price Anderson -- in one of their appropriation bills.

SEN. **CLINTON:** Yeah. You know, I mean, it really is frustrating. And I think we have to do a better job of explaining to the American public who really gets the dividends out of this administration. I think there's a great dividend in making us safer from nuclear power plant accidents and potential attacks. Clearly they don't see it in that way. So the dividends and the benefits of their policies go elsewhere, and I think that's an unfortunate trade-off, and a bad choice for America.

Thank you all very much.

END

CONGRESSIONAL PRO-CHOICE CAUCUS NEWS CONFERENCE, 1/22/2003

PARTICIPANTS: SENATOR BARBARA BOXER (D-CA); SENATOR HILLARY RODHAM CLINTON (D-NY); SENATOR BARBARA MIKULSKI (D-MD); REPRESENTATIVE DIANA DEGETTE (D-CO)

TOPIC: THE 30TH ANNIVERSARY OF ROE VERSUS WADE

LOCATION: THE CAPITOL, THE SENATE RADIO/TV GALLERY, WASHINGTON, D.C.

SEN. **CLINTON:** Oh, Barbara, thank you very much.

Well, I want to thank my colleagues and I want to thank Congresswoman DeGette also for being with us here to commemorate this anniversary, but also to sound an alarm because I think that the assault on -- the fundamental right of privacy that was guaranteed in the Roe decision is under attack from all directions. And as you've already heard from my colleagues, this is not just a debate over the future of Roe or even over the future of abortion. This is a debate over the fundamental right of privacy and the rights of women to make decisions about what is best for themselves and their families.

Now, if this were only a debate about abortion, I think that we would still be here and we would be very concerned about the efforts to undermine it through judicial appointments and other means. But what I want the American people to recognize is that it goes far beyond that. A number of us have worked on legislation to improve women's and children's health. And in this past two years, we championed legislation like the Women's Health Act. We fought for the Office of Women's Health at the Department of Health and Human Services to provide new resources so that women would have access to quality prenatal care. I was proud to cosponsor, along with my other colleagues, the Mothers' and Newborns' Insurance Act, which would have provided health coverage for low-income, pregnant women under the Children's Health Insurance Program administered by the states.

We supported equity in prescription insurance and contraceptive coverage provisions, and we were supporting our women in the military who are denied access to reproductive health care in American hospitals overseas even with their own private funds. Yet, even with strong bipartisan support, we could not pass these bills, because the forces that do not want women to have the right to privacy when it comes to the most fundamental human right, control over one's body, were also against all of these other bills that would advance women's health because -- guess what -- women come in a whole package, and we have reproductive health issues as well as, you know, problems with every other organ in our body.

Now I think what we're trying to say today is that we have made real progress over the last 10 years in recognizing the importance of the right of privacy, and we've also seen the decline in the number of abortions. I think that's great news, because, along with Senator Mikulski, I believe abortion should be legal, safe and rare. My husband first started talking about that in 1992. That has been the hallmark, and under a pro-choice president, we saw the rate of abortions going down. So we were doing something right in this country, because, for all kinds of reasons, women were making choices that were right for themselves.

Now I'm concerned, though, that this effort on the part of this administration to turn the clock back not only affects American women but affects women around the world. The reinstitution of the global gag rule, the continuing effort to deny family planning funds for impoverished women in nations around the world, is a terrible signal to send. It will not help the women who are most vulnerable. It will not prevent back-door, back-alley abortions. It

will instead increase once again the injury and death that flows from the lack of access to contraception and the lack of access to legal and safe abortions.

So we have a lot at stake in this. And I know there are many women who have grown up with Roe v. Wade and cannot imagine that they could be living in a place that would deny them access to family planning; that they could have a government, like we do now, that takes information off of websites about contraception; or that they could see the end of their fundamental right of privacy. But this -- make no mistake about it -- is the agenda of this administration and their allies in Congress, and we want to sound the alarm.

REP. DEGETTE: Thank you. I'm Congresswoman Diana DeGette from Colorado, and I'm the co-chair of the Pro-Choice Caucus in the House.

I'm very pleased to join with my Senate colleagues today in our commitment to preserving all of the freedoms that Roe versus Wade, which was decided 30 years ago today, have given us.

Since August of 1995, the U.S. House of Representatives has voted to restrict a woman's right to choose 43 times. I've seen recent polls that show, while the majority of American women are strongly pro-choice, they also don't believe that their right to choose will be taken away. Well, guess what: they better start worrying, and they better start worrying today, because now we have an anti-choice leader in the House, we have an anti-choice leader in the Senate, and we have an anti-choice president in the White House. No longer is there a stopgap to a woman's right to choose being taken away.

We expect to see in this Congress a number of bills pass in the U.S. House which restrict a woman's right to choose. But this issue is much broader than simply eating away at the edges. It's broader than restricting a medical procedure or instituting a so-called conscience clause. What this is about is a concerted effort to have a number of votes in the House, which will then go to my colleagues in the Senate. But the ultimate goal is to get members of Congress used to voting anti-choice, so that when judicial nominees are brought to these women in the Senate, they believe -- the anti-choice extremists in this country believe that they will be able to get anti-choice judges and even a justice to the Supreme Court confirmed.

There has not been a moment in history where choice is more at risk than it is today. And I think the women of America can no longer say to their daughters and to their granddaughters that they will have the right to choice. It's time for a wake-up call to America, women, on today, the 30th anniversary of Roe versus Wade. They need to get active. They need to let their representatives and senators know choice is important.

And as my colleagues said, it's not about abortion. It's about a woman's right to make her own decisions about her own body. That is at risk today, and that's why we are sounding the trumpet call to get active to American women.

The Pro-Choice Caucus in the House intends to not just fight against these restrictions against choice. We have a pro-active agenda; we will work with our Senate colleagues to make sure birth control is protected and expanded to make abortions rare and also to codify Roe versus Wade so that our granddaughters will know that they have the same protections that people like me have been able to grow up with.

And with that, I think we're ready to take any questions.

SEN. BOXER: Am I hearing a question? Okay. Thank you all.

REP. DEGETTE: Thank you all very much.

Q Senator Clinton?

SEN. **CLINTON**: Yes?

Q Can I ask you a question about Iraq?

SEN. **CLINTON**: A question on Iraq?

Q There's been increasingly harsh rhetoric out of the White House. Yesterday, President Bush going so far as to say, you know, "This looks like a rerun of a bad movie; I'm not interested in watching it." How does that, you know, help or hurt the cause? What do you feel about the change of rhetoric coming out of the White House? Is it a damaging campaign out of the administration on, you know, convincing the American people that this is the right cause, this is the right course?

SEN. **CLINTON**: Well, I believe that the president still has to make his case to the American people with respect to any action that might be taken. And I also believe that we should give the inspections time to work. They may or may not, in the end, be able to do the job of disarming Saddam Hussein in a very difficult environment, but they have been making some progress. And I want to see that played out. So, I voted for the Iraqi resolution. I consider the prospect of a nuclear-armed Saddam Hussein who can threaten not only his neighbors but the stability of the region and the world a very serious threat to the United States. But I do think that the inspectors should be given every means necessary to be successful, and we ought to play this out for a while longer.

SEN. BOXER: Thanks very much.

Q Do you think it helps or it hurts that this kind of tone is coming out of the White House?

SEN. **CLINTON**: Well, I'm not going to comment on that. I'm going to speak for myself.

SEN. BOXER: Thank you.

END

U.S. SENATOR KENT CONRAD (D-ND) HOLDS NEWS CONFERENCE ON THE BUSH ECONOMIC STIMULUS PLAN, 1/22/2003

CLINTON: Well, thank you very much, Senator Conrad, for your leadership on the issue of the economy and fiscal discipline.

And today, as we know, the president traveled to St. Louis to pitch the benefits of his economic plan to small businesses. He talked about how that plan would reach 23 million small businesses and how this proposal was good for small business and good for the economy in the long term.

But let's be clear: The president likes to say he is thinking big and helping small business. But what he's really doing is thinking small and helping big business. There isn't any other conclusion that you can draw if you look behind the rhetoric and the photo opportunities.

In the president's proposal there is one provision that would benefit every small-business owner, unlike the upper tax cut bracket. And there is that one, and that would be to increase the amount small businesses can deduct for investment in technology, machinery and equipment from \$25,000 to \$75,000.

CLINTON: That is a good idea, and it's actually a stimulative idea. But that's it as far as good ideas that will actually stimulate economic growth when you look at the entire plan with respect to small businesses.

But this provision accounts for less than 1.5 percent of the total cost of the president's package. So that's a very small amount of help for small businesses, no matter how many times they say it or how many photo-ops they stage.

We can do better than that. After all, our nation was built by and is still fueled by small businesses. My late father ran a very small business. And I understand completely how these are the people who are the backbone of what makes America work.

And it is unfortunate that once again we've got this shell game going on, because we really have to stop and ask ourselves, what are our priorities?

And every time we hear the president or anyone talking about his economic package we should pierce through the rhetoric to really understand what the priorities are.

I mean, do we want to use \$364 billion to end the tax on dividends? Or do we want to use those dollars elsewhere? Do we want to continue to pass on unfunded mandates to the states, like Medicaid, like Leave No Child Behind education? Do we want to sell short the needs for homeland security?

Well, that's what's happening when the president goes to St. Louis and talks about small business and really gives very, very little to small businesses compared to the other priorities that small business and all Americans actually have.

In fact, I think you could argue that ending taxes on dividends has a direct impact on small business. It will attract investment dollars away from small businesses into corporate stocks that issue tax-free dividends.

It will mean, combined with the deficit, longer-term, high interest rates in a couple of years. It will make borrowing more expensive for small businesses, it will mean states and cities have to try to plug holes and raise taxes, and I think you will actually conclude that this policy that the president's proposing is truly bad for small businesses.

So I think what we're asking is a little truth in lending here. You know, let's make sure we get full disclosure about what's actually in this plan, who it really helps and what the impact on small businesses would be.

CLINTON: The president told small business leaders to meet him in St. Louis, and that he would present them with an economic plan that would provide long-term growth for years to come. But as far as I can tell, he just gave them the small old song and dance about tax cuts, and he sold our economic future right down the river.

CONRAD: Senator Corzine?

CORZINE: Thank you, colleagues and Senator Conrad, for the presentation made. I think it's clear. And being the fourth speaker I'm just going to accentuate a couple of points that others have talked about.

First of all, I think this is clearly an anti-growth package. If you take into consideration its impact on our state and local governments, the negative impact, with their \$90 billion of deficits and their raising taxes, there's an offset to anything that's going on in 2003 to stimulate the economy.

I have yet to find the economist who is arguing that the dividend exclusion is going to create any impetus toward growth. Certainly in the short run and in the long run the critical weight is that this is just rearranging who gets what in the American economic system, and most of that, if you look at it, ultimately goes to the people at the top 5 percent of the system.

I can tell you that this point with regard to small business -- and I think the visual charts probably tell you the most -- but even by their own numbers there are 23 million small businesses, give or take a few, in America, and 18 million will get \$500 or less, based on the filings that have come out of the IRS and their own analysis of the Treasury, 18 million of those 23 million.

And when you're talking about this 500 businesses that are included in the top tax bracket, you're really talking about S-corps, partnerships, partnerships like one maybe I worked for for better part of 30 years, hardly small businesses in any kind of context. The flow-through concept of how you get classified as a small business is just preposterous, and it is disingenuous to a fault, and it is through and through in how this argument is being framed to the American people.

REMARKS AT THE U.S. CONFERENCE OF MAYORS, 1/23/2003

CLINTON: Thank you all.

(APPLAUSE)

Thank you. Thank you very much, Mayor Garner, it's always a pleasure to be with you. And thank you for that kind introduction.

I'm delighted to be here again. I want to salute Mayor Menino who has done a tremendous job as the president of the U.S. Conference of Mayors. He's been haunting the halls of the Capitol. I know he has worked tirelessly with all of you to make sure that the needs of our cities are addressed, not just in the ordinary course of business with issues such as homelessness -- and we just heard a very powerful presentation about that from Mr. Mangano (ph) -- but in particular with respect to the new demands that you confront when it comes to homeland security.

And I want to personally thank Mayor Menino. I told him he had the quote of the day, "The wolf is at the municipal door." Well, there's no reason we have to let the wolf in, and we certainly don't have to just sit there looking out the window. We need to take action to drive the wolf away.

And one of the ways we can do that is by acknowledging the undue burdens that have been placed upon cities since September 11th. I appreciate my friend, Mayor Garner, talking about my taking up the cause of this legislation, but it was really your legislation.

When we met after September the 11th, it was already abundantly clear that the new strains that were going to be placed on city budgets because of additional burdens having to do with 9/11, then having to do with the horrible anthrax attacks, would mean that the cities had to have additional resources.

So working with you, working with this conference, working with your able executive director, Tom Cochran, we did what we could do, which was to put forth legislation that would guarantee money coming directly to the cities.

Now, so far, I have to confess, we haven't been successful, and for the life of me, I really don't understand why. It is obvious that our cities are the primary vulnerable targets when it comes to the war from the terrorist perspective. We know that great cities like Washington and, of course, New York, have already been attacked.

We also know that we've uncovered plans and information that other cities have been on the list of potential targets, yet we have not taken adequate measures to give you the resources you need.

We have certainly provided the resources that our men and women in military uniforms need, and I was very proud to support the additional dollars that were translated into better

equipment and training and compensation, so that anybody who is on duty, defending our freedom anywhere in the world knows that we all stand behind him or her.

Yet our police and fire and our emergency responders are our front line soldiers here at home. And tomorrow, I will be releasing a study at John J. College (ph) in New York City that my staff has undertaken to try to determine exactly how much money our cities and counties have received to help them shoulder the burdens, and it will not surprise you to learn that the answer is not much.

So here we are, all these months later, and I believe that, at the top of our list, going forward, has to be the full funding of the homeland security block grant or some other formula. I have no pride of authorship. I just want to see the money get where it is most needed, and that is in your pockets, your budgets...

(APPLAUSE)

... your police departments, your fire departments...

(APPLAUSE)

CLINTON: I will confess to you that we are not only confronting budgetary problems with respect to homeland security, as you know so well, but the unfunded mandates that have come from our federal government over many years are now coming due with a vengeance. Not only do we face rising Medicaid costs, which affect many of you, we are facing freezes and potential cuts in Medicare budgets, which will affect hospitals in every size city. We know that the requirements of Leave No Child Behind are not being funded with the federal dollars that have been promised. And for now nearly 30 years, we haven't fully funded special education as promised.

We can add up all of these unkept promises. They are bipartisan unkept promises. They go back decades. But the net result is that the decreasing revenues that you confront because of the slowdown in the economy are made even worse because of the ongoing budgetary demands.

Now, I clearly believe that the homeland security issue deserves to be at the top of our list. I'm going to fight for general revenues of some sort coming to states and cities. I was very pleased that in the Senate, at least on a bipartisan basis -- I joined with Senator Rockefeller and Senator Collins to pass an increase in the federal matching rate for Medicaid; we're going to try that again. But we have to have a bipartisan agreement that funding is necessary during this time for the states and cities to avoid even more egregious cutbacks in services and increases in taxes.

You know, it is an irony that the cutting of federal taxes directly leads to, in most instances, the increasing of state and local tax burden. So from my perspective...

(APPLAUSE)

... the overall tax burden doesn't decrease, but it's not as visible, it's not as easy a target. And it used to be a bipartisan agreement going back into the '60s that when we had a downturn in the economy there would be an agreement to provide some countercyclical funding for states and cities. That was done away with and now we're in this dilemma about how we both provide some general relief and then specific funding for the kinds of challenges that you confront.

But it is possible. I am a perennial optimistic. As someone said, "If you had lived my life, you have to be a perennial optimistic"...

(LAUGHTER)

... and so, I am. And therefore, I believe...

(APPLAUSE)

... that this is immanently doable if we speak the truth about what is at stake.

You know, I sometimes refer to Washington as an evidence-free zone. And it is the case that the facts get lost in the argument and the rhetoric. We need you to bring those facts front and center.

And I applaud and thank you for the plan that you've put forth for economic security and stimulus. I will certainly look very carefully at it. These ideas will be put into action, Mr. Mayor, the best we can. We will look for the kind of bipartisan -- really nonpartisan support that should recognize that our cities are not only the engines of economic growth but also of recovery. And that it is not an accident that if we are confronted with future challenges and vulnerabilities when it comes to terrorism, that the primary targets are our cities which represent the true opportunity and potential of America; always have, always will. You are the stewards of that promise.

And I pledge to you that many of us will work with you from both sides of the aisle to make sure you get the resources you need to keep that promise to the people you represent.

Thank you all very much.

(APPLAUSE)

(END AUDIO FEED)

END

"Inside Politics," CNN, 1/24/2003

WOODRUFF: And we'll talk about that in just a minute. Candy Crowley, thank you very much.

Speaking of which, in New York today, Senator **Hillary Rodham Clinton** took aim at the state of homeland security, saying the president's main idea in recent weeks, eliminating the dividends, tax will not save one police officer or make America more secure.

I spoke with Senator Clinton just a short while ago, and asked her if Tom Ridge is right, that the U.S. is safer now than it was before 9/11.

(BEGIN VIDEOTAPE)

CLINTON: Well, Judy, I think that Secretary Ridge has certainly worked very hard, and I was pleased to support him for this new position, but I would respectfully disagree.

I think that we have made progress, but we have not done nearly enough to put the resources behind our planning and our rhetoric, and we certainly haven't done enough to make sure that, at our local community level, that the police and firefighters and emergency responders have the resources necessary to be our frontline soldiers, which, indeed, they are today.

WOODRUFF: And whose responsibility is it? Whose fault is it that that has not taken place?

CLINTON: Well, I think it is a problem at the top. I know that, repeatedly, the Congress over the last two years has tried to appropriate the resources that we thought would be necessary to protect our ports, to protect our borders, to provide some direct funding to local communities, and we've not been successful. And even with the omnibus appropriations bill passed yesterday, the across the board cuts and some of the other

decreases in spending are coming right out of the very programs that we should be beefing up in order to provide the kind of resources that I think security demands.

And certainly, when we look at the new Department of Homeland Security, they have a very long way to go to be in a position to better coordinate and provide the kind of leadership that we need nationally.

So across the board, I have to say that we aren't very much safer than we were on the morning of September the 11th.

WOODRUFF: Well, when it comes to funding, the president's budget director, Mitch Daniels, is now saying that the president is going to be unveiling substantial increases for Homeland Security in early February, in the next budget, and let me just read you something else.

He said, "We really cannot defend every square foot of America against every threat that some hateful person might concoct." He said, "we're going to have to get better at deciding what threats are most dangerous, most likely, and make sure we're putting our resources against them."

CLINTON: Well, Judy, I don't think anybody would disagree with the idea of prioritizing, but we haven't done very much at all.

I released a survey today where we asked the towns and cities around New York, from New York City to Buffalo, to tell us how much they've received in terms of federal help. And of the towns and cities responding, 70 percent said they haven't received a penny of federal help, and they're digging deep into their own budgets to protect their reservoirs, to respond to, you know, the anthrax scare that we had.

They're trying to deal with the problems that come from being near the borders, or being on a port, and, you know, it just is wrong to say that we can't defend everything, when I don't think we have defended enough yet.

Yes, we may have to make hard decisions, but this administration hasn't provided the funding that is needed.

WOODRUFF: Well, there are those, Senator, who say that when you and others charge that the Bush administration has not adequately funded and organized homeland security, that you are in effect setting this president up, and that if there were another terrorist attack, he would then be in a position to catch all the blame for it.

CLINTON: Well, I'm not interested in placing blame or pointing fingers. I'm interested in providing real security. And maybe I just feel more personally about this than some, because, after all, as a senator from New York, I have had the incredibly awesome experience of trying to help people who were directly affected by these awful attacks.

So today I tried to, once again, put our security needs front and center, and I'll look forward to hearing what the president has to say, but I think we have a long way to go before I honestly can tell my constituents that we are better prepared.

(END VIDEOTAPE)

**U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING
ON DEFENSE DEPARTMENT NOMINATIONS, 1/30/2003**

CLINTON: No, I believe in the early bird rule.

PRYOR: Mr. Chairman, I don't have any questions.

CLINTON: I especially believe in (inaudible).

WARNER: To follow in the footsteps of a most distinguished, most beloved father with whom I had a strong, wonderful friendship and he often did the same.

SPECTER (?): If I could just add one word about Senator Pryor's folks as well. My wife, Barbara and I are so close to David and Barbara Pryor and we have enjoyed serving with them and I sort of use the word "them" advisedly. When David was a Senator, he made a major contribution to the Senate. He's just a wonderful, warm human being and made a major contribution to the security of this country.

He was somebody who asked some very tough, pointed questions, very useful, very essential that questions be asked of the type that your dad asked. We are just delighted that you, Mark Pryor, are on this committee.

WARNER: I'd like to associate myself with those remarks.

Now, Senator Clinton, we welcome you to the committee.

CLINTON: Thank you, Mr. Chairman, and I apologize for not being here earlier. I, too, was at another event, but I appreciate the opportunity to be here at the first public hearing of this committee that I am honored to serve on now. I welcome the two nominees and look forward to working with you in the years to come on these important matters that assuming you are and I believe you will be confirmed will be within your area of jurisdiction and oversight.

Mr. McHale, on January 21, National Public Radio aired a story about how the military buildup for Iraq is moving firefighters, police officers and emergency response personnel from the front lines here at home in the war on terrorism to the front lines in the Middle East.

Last night CNN ran a similar piece. A number of local officials from Utah to West Virginia to San Antonio say that as many as 10 percent of their first responders may also be in the Reserves. I know that in New York City, 300 of our firefighters are also in the Reserves.

This creates a tremendous dilemma, as I know you are well aware and as Senator Talent was raising with you earlier, because on the one hand, I do not believe we are yet giving our local communities enough resources to take on the additional responsibilities imposed by their new challenges with respect to homeland security. And at the same time, they are going to be losing maybe up to 10 percent.

Certainly in New York we have in some communities even higher than that of the resources they need and yet they, under law, will continue to pay those people, as they should, to keep that job open, as they must, so something is going to have to give here, because we are going to be putting many of our local communities at greater risk, not only for the potential of threats from terrorists, but just in the ordinary everyday work that they are supposed to be doing.

Do you have any idea at this point how many police, firefighters, EMTs; public health officials are being called up?

MCHALE: Senator, I don't. As a private person looking at the prospect of returning to public service, I would anticipate that that kind of information probably is available. I don't know if they have it immediately available, but I think it certainly could be identified through the assistant secretary of defense for reserve affairs, where occupational backgrounds would routinely be maintained as a matter of record.

I can tell you that up until about two or three months ago, after I left Congress and went back to the drilling reserve in the Marine Corps and I was the assistant division commander

of the Fourth Marine Division, that's the reserve ground combat division in the Marine Corps Reserve, and just anecdotally, we had many firefighters, many police officers.

I, in fact, read your speech at John Jay College and I am aware of your concerns. I think the Department of Homeland Security as opposed to the Department of Defense will probably have to engage more immediately on that issue than would be the situation for the Department of Defense.

It's a national problem. As an American citizen, I obviously have a concern for the issue that you raised. As a potential official in the Department of Defense, our role would be to support, if I were to be confirmed, the Department of Homeland Security, we would provide unique and extraordinary capabilities to those first responders.

We would have a statutory obligation to transfer to those first responders improvements in technology that might be coming out of the Department of Defense so that if the department developed a technology that was primarily aimed at competency on the battlefield, but had a corollary benefit to first responders at home, that they would become aware of that technology as quickly as possible.

Forgive me if I have taken a tangent to your question, but while it is a vital national issue, the role of the Department of Defense in a supporting capacity would not directly interact with the issue that you have raised.

CLINTON: Well, what about, though, the utilization of Guard and Reserve in order to back up and fill in for some of these positions, because that certainly has been a role and responsibility as we all know who walk through airports and saw National Guards or at the Amtrak station in Penn Station in New York.

So, I think that the coordination is something that we have to watch very carefully and I would hope that in conjunction with the Department of Homeland Security, we would monitor this very closely, because there will be some places in the country that will be particularly hard hit. I don't know how we would fill the gap with 300 firefighters called up in New York City, for example.

So, that will be a continuing concern of mine and I hope that it will be an area in which you will, working with the Department of Homeland Security and the rest of DOD, perhaps come up with some suggestions for us.

MCHALE: Senator, what I can pledge to you is that if I am fortunate to be confirmed, I will talk to Tom Hall, who is the ASC for Reserve Affairs. I will attempt to determine if we have identified who are the first responders serving simultaneously as citizen soldiers.

We have to be acutely sensitive to that and there are two ways in which the Department of Defense is likely to become engaged in support of civil authorities.

One, if we have a unique capability, particularly in the area of WMD, and secondly, the secretary has said, if, in fact, civilian authorities in a given circumstance were to be overwhelmed as they were in terms of airport security immediately after September 11, the recognition of the fact that those civilian authorities had been overwhelmed would be a further justification for DOD engagement.

So, if that situation were to arise, although the president and the secretary would make the judgment call, the department, particularly the guard, would be prepared under those unusual circumstances, to back up the first responders.

CLINTON: Thank you very much, Mr. McHale. I also understand that now that the Coast Guard has been moved into the Department of Homeland Security, that there may be an increased role for coordination and oversight.

I was very interested -- you may not have this information at your fingertips, but you or perhaps someone else in DOD or homeland security could provide it, because we have just

learned that the Pentagon is sending four Coast Guard cutters and two port security units to the Persian Gulf. Based on our research, this is the first deployment of Coast Guard patrol boats to DOD since Vietnam, so apparently, even though they are now in homeland security, they have been assigned, delegated to DOD.

This again raises resource issues. In New York, we count on Coast Guard facilities and personnel to guard our ports against terrorist threats. We're clearly not doing enough yet with the influx of container ships to try to have a level of port security, so I would perhaps look to you to provide some additional information or the appropriate person within DOD.

If I could, Mr. Chairman, I would like to submit some additional questions on this Coast Guard issue, because it is a very serious one, obviously to many states but particularly given the volume of traffic that we have in the New York port, it's a particularly pressing one.

U.S. SENATOR JUDD GREGG (R-NH) HOLDS HEARING ON SMALLPOX VACCINATION PLAN, 1/30/2003

CLINTON: Thank you for calling this important hearing. I think there are obviously going to be a lot of unanswered and maybe at this point in time unanswerable questions in the face of these new challenges. And I greatly appreciate the work that both CDC and NIH are doing to develop an adequate supply of medications for those who might have side effects, who suffer injuries, lost work time and other consequences as a result of the vaccination. And I do believe we need some kind of system to ensure that they are taken of and compensated.

I can't help but add that, of course, if we had a universal health care system, this wouldn't be as big a concern, but we're going to patch away at the old broken system, and it's just going to get creakier and creakier and squeakier and squeakier and leakier and leakier, and I think that the threat of terrorism combined with advances in the knowledge of the human genome which are going to tell us that we're all vulnerable and susceptible to something should prove to be a spur to our dealing with this issue on a much broader level.

But in the meantime, I hope that we will take seriously the challenges of providing adequate compensation. I've had a different but related experience with respect to the World Trade Center health effects on the workers and volunteers most directly involved. We did with bipartisan support set up a program at Mt. Sinai to begin to screen those people and we had our first report of the outcomes of those screenings, and we have very high percentages, in some cases 50 percent to 80 percent of decreased pulmonary and respiratory capacity, adult onset asthma and many other issues. And some of the people who were construction workers, utility workers, et cetera, don't have adequate insurance and don't have the capacity to either be screened or taken care of. So I just think this has to be put into a broader context.

And from my perspective, there's another related issue, which we've heard about in the news, which is that if we underfund this massive vaccination effort, then state and local public health departments will be picking up the cost, and some are already saying that they

can't continue their work, the routine immunizations and other kind of public health work as well.

So I'm very much looking forward to working with the chairman and Majority Leader Frist, along with Senators Kennedy, Mikulski, Durbin and myself and our colleagues in the House to try to come up with a package of legislation that does address these very legitimate issues.

If I may, Dr. Fauci, I know that there isn't anyone who knows more and has worked harder on the HIV/AIDS challenge, and it's clear that we now have, not just with HIV/AIDS, but other conditions, including eczema in our population, a lot of immunosuppressed people, people who are more vulnerable to the side effects, and this is a concern that we all have because of not only those directly vaccinated but the potential contagion effect. What will the impact of these immunodeficiencies have on the number of injuries, deaths and side effects, as best as you're able to extrapolate?

FAUCI: Thank you for that question, Senator Clinton. It depends on the immunodeficiency. For example, if someone has a transplantation, they have a kidney or a lung or a pancreas or what have you, it's very clear and easy that they know they have it, so they would be immediately excluded from any pre-event vaccination program. Obviously, if there's a massive attack, we would be vaccinating them if they came into contact with a person, but we'd make sure we have a lot of Vaccinia Immune Globulin around. We have to do, and that's part of the program, serious questioning to go through the list: eczema, atopic dermatitis, are you on glucocorticoids, are you taking steroids for anything, do you have an immunosuppressed disease that's being treated, like lupus or rheumatoid arthritis, do you have cancer chemotherapy, all of those kinds of things.

There are other things that obviously are of concern is HIV. We need to question people: Is there any possibility that you may be at risk for HIV, and if you are to clearly go and get an HIV test. HIV is one of the immunosuppressive diseases that we have, and if someone is far advanced in HIV, then just inadvertently without knowing it, if they get vaccinated, they could be in trouble. So that's the reason why it's very clear in a vaccination program, which is why a pre-event program where you have the time to go through those multiple menus of contraindications would be very helpful in averting the vast majority of inadvertent vaccinations for someone who would have a contraindication. So we share your concern.

CLINTON: Thank you.

Dr. Gerberding, I recognize that there are studies of smallpox vaccine safety in children currently in progress in Cincinnati and Los Angeles; is that right?

GERBERDING: I'll have to defer to Dr. Fauci on that.

CLINTON: Is that right, Dr. Fauci?

FAUCI: The studies are not going on, Senator. As part of the vaccine program for the dilutional study of the Dryvax, which is now the product that is being used in its undiluted form in the program that Dr. Gerberding described, in the dilutional study if we were going to widely use diluted Dryvax, you have three general components of people: Those who've been previously vaccinated, that study is done; those who've never been vaccinated before, that study's been done.

The third component was in children, but when the clinical trial to determine if it actually was still immunogenic in children, was there any specific, unexpected toxicities in children, even though you wouldn't predict it because that's exactly the vaccine that you and I got when we were children, but nonetheless we needed to do the clinical trial.

When the clinical trial went before the IRB, the Cincinnati group felt that it was a reasonable approach, let's do it. The UCLA group said, "You know, we cannot determine on the basis of the codes that guide you as to whether or not you can do research in children whether the

risk/benefit ratio for a child, given the current threat, we just can't make that determination as to whether or not we should go ahead with the trial."

So what they did is that they sent it back to the secretary, and there's a code of regulation that says they need to do that. The secretary then took the problem, had a -- sent it before of Office of Human Research Protection. They had a public comment period. Many of the comments came in with concerns that for children, since they, particularly infants, they have a greater incidence of serious effects, but they felt that it shouldn't go on.

In the meantime, it became clear that we were not going to be using Dryvax on children anyway, because the program would be excluding children, because it would be for health workers, first responders, et cetera. For that reason, the clinical trial in children with Dryvax has now been called off, and we're not going to do a clinical trial in children for this particular product.

CLINTON: Thank you.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON WORLD-WIDE THREATS TO U.S. SECURITY, 2/12/2003

CLINTON: Thank you, Mr. Chairman.

And I want to thank you, Director Tenet and Admiral Jacoby for the hard work that you and your teams are doing.

I just have several questions that have not been addressed yet. In his State of the Union, President Bush proposed a Terrorist Threat Integration Center, a central location, as I understand it, where all foreign and domestically generated terrorist threat information and intelligence would be gathered, assessed and coordinated.

CLINTON: As I further understand it, it would include elements from the CIA, the FBI, the new Department of Homeland Security and the Department of Defense, but that the director would report to the director of Central Intelligence. So far, is that a correct description?

TENET: Yes, ma'am.

CLINTON: One of the difficulties that I still see us struggling with is the coordination between national agencies and sources of information with state and local law enforcement officials. I'm particularly concerned not only about what goes down, but what comes up and the fact that our front-line defenders, with respect to any terrorist attacks here on our own shores, are local enforcement personnel.

What steps are being taken as you design this department to ensure, first, that our local law enforcement officials will receive the information they need in a both timely and thorough enough manner; and secondly, that you will be receiving information?

As I just think about it, an overwhelming task. And, you know, I have to say clearly here in this committee we're focused on the external and international emerging threats and their connections with what goes on here at home, but I really do believe we have not given adequate support to our local law enforcement first responders. And we got to have an intelligence and information-gathering system that works far better than it ever used to in the past when, frankly, there were lots of conflicts as to what information, would or wouldn't be share.

So where are we in the planning of that, Mr. Tenet?

TENET: Be good if Director Mueller were here, but I'll tell you what I know.

CLINTON: Well, you will be the overall director, right?

TENET: This is an analytical component. And essentially what we want to do is, one, get all the threat information together, much as we do this morning, that has law enforcement feed and an intelligence feed, since it's all seamless, to make sure we have the right databases of all terrorist tracking database in one place that's available to state and local governments, to police forces, what we collect overseas, what we can hand over.

The third thing that we think we have to do a heck of a lot more of -- you've put your finger on something -- is give state and local police departments texture and understanding of what they look for, how they use their intelligence divisions, how they use the officer on the beat. This is a daunting challenge. This is something that the director of the FBI is taking on because of his rather direct relationship.

And what we're trying to do in creating this kind of an integrated analytical center is say, "There are lots of things that we can pass" -- you know, for example, we have an excellent relationship with New York City Police Department and the Washington police. Obviously, New York and Washington are special places. But we need to be able to pass to Milwaukee and Seattle and every place else in this country texture, understanding, text. You don't have to give up sources and methods or the human operator, but you need to give those men and women the opportunity to say, "What are we looking for when we go to orange?"

And there's an enormous amount of data -- and we've started doing it -- that we can push out the door about chemical and biological attacks, what to look for, how to protect. I mean, there's an enormous amount of data.

So one of our objectives is to have a place where we can push this out to law enforcement. The bureau can be the proper front end, but that we design more product for our state and local officials to understand what the threat specifically is without having to give up very much.

CLINTON: Well, this is an issue that concerns me greatly. And I look forward to continuing to receive updates on how this is occurring.

Secondly, Director Tenet, last month the BBC reported that British officials believe Al Qaida successfully built a crude radiological device, commonly referred to as a dirty bomb, in Afghanistan. What intelligence do we have regarding the veracity of this report from British intelligence?

And, Admiral Jacoby, if you have additional insight into this, I would appreciate hearing it.

TENET: I would say that BBC and British intelligence may be two separate entities.

We know they had a keen interest in developing a radiological device. And our whole thought process, analytically and operationally, is to prove the negative: that you didn't get one or you didn't get a nuclear weapon.

Now, I have never seen any reporting that suggests they successfully tested radiological device from any source, foreign, our own, the British. I've never seen that reporting. I can go back and check, but I've never seen that reporting. I'll go back and check, but I've never seen it, Senator.

CLINTON: Do you agree with that, Admiral Jacoby?

JACOBY: Yes, Senator. And we have found nothing in our operations in Afghanistan that would lead us back up that trail to suggest that they had achieved.

CLINTON: And finally, if I could, following up on Senator Bayh's point about the FARC, last week, the leader of Hamas, which obviously we know has carried out numerous bombings in

Israel, released an open letter that said, "Muslims should threaten Western interests and strike them anywhere." This is a very new development, as I understand the history of Hamas, which has primarily been focused on fighting the Israeli government and the Israeli people.

To what extent does Hamas pose a direct threat now to Americans both here and abroad?

TENET: Well, you're quite correct about where their targeting has been focused on. I might have to go back and talk to Bob Mueller about what he perceives to be that threat here. But the way you isolated it at the beginning is exactly right.

Now, all of these groups -- you know, a group like Hamas in particular operates in the constrained geographic region where they have comparative advantages. But obviously, the concern would be how they migrate those here.

And I'll come back to you on that, Senator. I just don't know enough.

CLINTON: Thank you very much.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON FY 2004 DEFENSE AUTHORIZATION, 2/13/2003

CLINTON: Thank you very much, Mr. Chairman.

Mr. Secretary, I want to follow up along the lines of what Senator Bill Nelson was asking, and also Senator Dayton, because I think that in connected ways they're focusing on the same issues with respect to how we're going to defend ourselves at home.

As I understand it, in response to the threat level being raised to orange, the Pentagon has deployed heat-seeking Stinger anti-aircraft missiles at strategic locations around Washington, D.C., and F-16s have been put on 24-hour alert in Washington, as well as deploying additional detection radars. Can you tell me whether similar steps have been taken in New York?

RUMSFELD: Senator, we don't talk about deployments, and I'd like to take a minute and explain why.

We change how we're arranged from a defensive and a deterrence standpoint from time to time with respect to combat air patrols, as I know you're familiar with how we're doing that with respect to the East Coast and other portions of the country. To the extent we announce them it demystifies the problem for others, the people who would attack. To the extent we regularize it, we demystify it.

So what we do is, we do things on a random -- not a random basis, on an irregular basis. It's not thoughtless, random. It is, in fact, irregular. And it's designed to do that to maximize the deterrent effect and to maximize our ability to defend at times when we believe the threat level requires it.

CLINTON: Well, I certainly understand and appreciate that, and would not want to have any specific information. But clearly some of what's been deployed around Washington is visible to the naked eye, and therefore we know it.

There has been no similar reports of anything visible to the naked eye with respect to New York. And since we also have reason to believe that New York and Washington remain at the top of the terrorist lists of targets, perhaps in another setting I could at least be advised as to what, if any, actions, irregularly or regularly, are occurring with respect to New York.

Let me just move on because I think that it ties into an ongoing concern of mine, which is the readiness of our first responders here at home, whether they are dealing with an Al Qaida attack, such as we saw on September 11th or a retaliatory attack in the wake of military action in Iraq. One of the problems that we are seeing surface, that I talked to now Assistant Secretary McHale during his confirmation hearing, is that many of the people who are being called up, who are pumped, who are ready to go are first responders, they're police officers, they're firefighters, they're EMTs, they're others who provide the first line of defense here at home.

Today I have sent a letter to you, Mr. Secretary -- and I'd like, Mr. Chairman, to make it a part of the record...

WARNER: Without objection.

CLINTON: ... requesting information as to the extent to which Reserve call-ups are impacting on our first responders.

Because as we go forward with the planning that I understand you're doing with respect to how we deal with Guard and Reserve forces, whether we confront redeployments of our end forces abroad, I think we have to recognize that if we're fighting a multi-front war, which we may very well be -- we're know we're fighting one here at home already, as well as against Al Qaida and there may be others to come -- we've got to be sure that our first responders, front-line defenders have adequate force strength.

And there are a number of reports that have surfaced in the press about what local officials are confronting. A number of mayors and county executives have said that as many as 10 percent of first responders are also in the Reserves. I know in New York City 300 of our firefighters are in the Reserves.

And we also know that the cost to our communities at a time of decreased budgets, and I would argue inadequate federal resources for our first responders, means that the police department in New York City spends more than \$200,000 a week to cover their reservists and the fire department spends more than \$100,000 a week. In a small community like Niagara Falls, police department spent \$350,000 last year.

Nobody begrudges that. We want to continue to support our first responders. But I think as you look at the connections between what we have to be ready to do here at home, as well as our force abroad, I hope that you will take that into account.

And it's not only at the local level, clearly it affects Custom officials, FEMA officials, Secret Service and others.

And I will look forward to having a response to this letter, because I know this is an issue that you will have to look into. But I hope that it is part of what we go forward in planning.

And finally, General Myers, I am concerned, as I was when I was first lady, about the unexplained illnesses that many of our men and women returned from the Gulf suffering from. As you may know, I was asked by the president to look into this during the last part of the '90s, and we came up with a independent blue ribbon commission to investigate the issues raised by these undiagnosed illnesses and the treatment that many of our veterans received. And there was a final report submitted to the president in January of '97, including a slate of recommendations to ensure that Gulf War veterans received all the care that they needed.

With U.S. troops once again being deployed to the Persian Gulf, and without us really knowing what caused a lot of the problems, we look at a number of sources.

And I have to say, Mr. Chairman, I think this is an area that we want to go into in some depth here in this committee, because we're seeing the same thing with respect to the first responders who responded to ground zero. The combination of whatever was in the air when those buildings were attacked and collapsed has caused extraordinary respiratory, pulmonary dysfunction and distress. And we're only beginning to try to understand it.

And similarly when we saw our men and women coming back from the Gulf, we know that similar kinds of issues occurred. And now we have the added challenge of biological, chemical and radiological potential attacks, as well.

Now, a year ago, in February 2002, a GAO official testified before the House Veterans' Affairs Committee that while military medical surveillance policies had been established, much still needed to be done to implement the system. And I would hope that we could get a report, General Myers and Mr. Secretary, about what we are doing to ensure proper implementation.

Once somebody is a veteran it may be too late. So I'd like to make sure that our active duty forces are getting the surveillance that they need for medical monitoring and health tracking before being deployed to the Gulf so that we can know and have a better research base to understand what they have been and might be exposed to. And I look forward to getting that information.

RUMSFELD: Thank you.

CLINTON: Thank you.

WARNER: Thank you, Senator.

And I can speak from firsthand experience, having gone with you out to Walter Reed to, quietly in the evening, to visit the veterans that returned from Afghanistan, of the depth of your sincerity with regard to the subjects of which you speak. We thank you. And I do hope that you spearhead on this committee those efforts.

Senator Levin, I think we've conducted a very successful hearing.

If you have no further comments, we thank you, Mr. Secretary. We thank you, General. And we thank you, Dr. Zakheim.

END

COMMITTEE MEMBERS HOLDS A HEARING ON THE DOD BUDGET, 2/25/2003

CLINTON: Thank you, Mr. Chairman.

And Mr. Chairman, I listened carefully to Senator Nelson's questions about the Philippines. Will there also be additional information available about current involvement in Colombia, too, that the committee could be advised of?

WARNER: I will advise the senator there's no reason why that question could not be asked if you are able schedule-wise to join us at the closed session.

CLINTON: Thank you very much, Mr. Chairman.

I want to start by thanking General Shinseki for his incredible work. General Shinseki has done a tremendous job on behalf of the Army, and I'm very grateful to his years -- his lifetime of service. And look forward to your continuing service in whatever form that takes.

Admiral Clark, in late January, the Pentagon announced that it was sending eight Coast Guard cutters and several port security units to the Persian Gulf. As I understand it, this is the first deployment of Coast Guard patrol boats overseas since the Vietnam War. Is that correct as far as you know?

CLARK: Actually, Senator, cutters have been deploying with us periodically and working up with us. Part of our agreements is that in time of crisis, they will come work for us. The only way to make that work is to periodically do it.

So they periodically are deploying with our carrier battle groups.

CLINTON: And what are the numbers that are currently deployed?

CLINTON: Do you have that?

CLARK: I'm sorry, I don't. We'd be happy to get that for you.

CLINTON: Thank you very much, Admiral.

You know, because in New York, as well as many other coastal states and cities, we count on the Coast Guard to guard our ports against terrorist threats and other emergencies like the one we just had the other day with the explosion at Staten Island. The Coast Guard was the first responder. We couldn't have responded without their lead and assistance.

So I would like some additional information that I will submit to you in writing so that I have a better idea of the criteria that are used to deploy the cutters, how long they're expected to be deployed, and what are the missions that they perform, and how we anticipate replacing those functions that are going to be left behind as they deploy with you.

I want to ask each of the chiefs a question that has been a concern of mine for many years, ever since President Clinton asked me to look into the Gulf War Syndrome. And I went out to Bethesda. I went to Walter Reed. I met with a number of veterans who returned from the gulf suffering from unknown symptoms. And I became convinced in my own mind and based on the research that we were doing that this was real. This was something that had to be addressed. And the president, as you know, appointed a commission to do so.

Now, with U.S. troops being deployed again to the Persian Gulf, I know that you're spending a lot of time and attention trying to make sure that we don't send young men and women to war where they're out of harm's way in a conventional and traditional sense, but they return home debilitated and have to be separated from the service and have ongoing chronic health conditions.

So I would appreciate each of the services giving me a brief overview. And then I'd like to arrange a briefing that my staff is currently working on to get more in-depth information. Because clearly the February 2002 GAO report before the House Veterans Affairs Committee seemed to conclude that while military and medical surveillance policies had been established, still a lot needed to be done to implement the system. And I think we want to do everything possible to protect our troops this time around.

If I could just have a brief overview, comment, from each of the service chiefs about that. And then, as I say, I look forward to a more in-depth briefing.

General Shinseki?

SHINSEKI: Senator, I would say, first of all, we all share the concern coming out of the last gulf operation. And the conclusions were less conclusive than we would like. There was a variety of issues that continue today to be studied.

I think since that last operation, however, we have expanded our detection and sensing capabilities in some rather significant ways, not just in chemical, but also biological threats.

And I think we are concerned. We have gone back to look at what the conditions might have been then. We pay attention to it, better detection, better training. But still, there are a host of unknowns here exactly what the causes were of that gulf illness.

CLINTON: Thank you.

Admiral Clark?

CLARK: My problem is a little different than General Shinseki's. Our issue is providing fundamentally protective gear for attack at sea. And we have built in -- some built-in systems to protect our people inside the ships.

I would just tell you that we've made significant investments. In an open forum, I would put it this way: We've made significant investments and we're ready.

CLINTON: General Hagee?

HAGEE: We share your concern, Senator. As General Shinseki mentioned, we have vehicles, platforms out there that did not exist 10 years ago during Desert Storm, platforms that can identify and detect chemical and biological agents that are in the air and in the ground.

We have also collected information on every single one of our Marines so that we have a good medical data baseline to try to -- if anything happens -- to try to determine what change has occurred.

CLINTON: I really applaud you for that. And I hope that every service can move toward that. I think that's so -- we have found post-9/11 in New York the fire department had baseline screenings. The police department didn't. It's much more difficult to figure out what the exposures lead to when you don't know what the starting point was.

So I very much appreciate what the corps has done on that.

JUMPER: Senator, I agree with General Hagee. I think the baselining activity, plus the steps that have been set up to gather data around the locations, is much more sophisticated than we saw last time. And hopefully the root causes of these things can be determined in time to be of help.

CLINTON: Well, I think you.

And, Mr. Chairman, I think this has not only implications for our men and women in uniform, but rather significant civilian ramifications as well. And I greatly appreciate the chiefs taking this on as an issue. And I look forward to following with great concern what we learn and how we respond.

WARNER: Well, Senator, I know firsthand of your deep concern about the veterans who returned from Afghanistan and other far-flung parts of the globe as to their health. And I commend you for those initiatives that you've undertaken.

Senator Roberts.

ROBERTS: Thank you.

Gentlemen, thank you for your leadership and what has been referred to by General Jumper and Admiral Clark and obviously all at the table, as your favorite word, for persevering in your command and quite frankly here at the hearing.

And General Shinseki, well done, sir. You have provided outstanding leadership, and I think your legacy is going to be better transformation of the legacy weaponry. And so you've achieved a great deal, and we thank you for that.

SHINSEKI: Thank you, sir.

ROBERTS: Thank you for working with our former commandant, Jim Jones, who is the SACEUR, as you know. I think before a hearing some time ago I said we didn't need two tips and two spears. We needed one tip and one spear. And we have done that in regards to working with the Marine Corps and the Marine Corps working with you, sir.

So we thank you for your innovative leadership.

SHINSEKI: Thank you, sir.

ROBERTS: As a survivor, along with Senator Levin, of Senator Warner's forced march which was disguised as a CODEL to possible war zone countries where we are fighting and, in my opinion, winning the war on terrorism, I want to say that we have an obligation to meet with a number of men and women in uniform on the front lines. As chairman of the Intel Committee, I want to go out and check the intelligence to our war fighters. And we went to Kuwait, Afghanistan and to Qatar and to other locations. And we survived. I think we did, Carl. I'm not quite sure.

But at any rate, I can report that the cooperation between our intelligence and our military personnel is as close as it has ever been. We now have in place information systems that will allow rapid access to current intelligence from the commander all the way down to the Marine or soldier in the field.

So I think we are now -- it's my judgment at least -- we are really learning the lessons of Desert Storm and September 11.

Mr. Chairman, I had hoped we wouldn't spend too much time arguing about who constitutes the greatest threat to us right this second. Is it Saddam Hussein or Kim Jong Il or Supreme Leader Ali Khamenei in Iran or Osama bin Laden? They are all major threats, all challenges to U.S. security here at home. They get worse (inaudible) if not acted upon. They all represent very unique geopolitical circumstances. They demand very tailored situations or solutions. And they all demand action now, but different kinds of action.

I have more or less a speech on this, and I would ask permission that my full statement be inserted in the record at this point.

WARNER: Without objection.

ROBERTS: I want to go first of all to the commandant and ask him a question in regards to SOCOM. And I know that they have a lot of operations, everybody has operation stress. But I understand we have 81 Marines, five sailors, organized, trained and equipped for special reconnaissance and direction action, other special operations missions who will be under the SOCOM operational control by October of this year. I understand the answer is yes. Is that correct?

HAGEE: That's correct, sir.

ROBERTS: All right. I hope that we can continue that partnership.

I'm going to get down to your war fighting lab in Quantico as soon as I can. I apologize for not coming sooner. And one of the questions I had as we were out to Camp Commando and Camp Coyote out there in Kuwait, I was so proud of our Marines who are operating basically in a sand trap and still performing and training their mission. And I'm not surprised at this.

You already answered this question in splendid fashion about our WMD capability. And I thank you for that answer.

I have a question for General Jumper. You remember the old combination, the baseball combination, you and I aren't too far off in age difference, of Tinkers to Evers to Chance?

JUMPER: I'm afraid not, sir.

ROBERTS: You don't?

JUMPER: You got me.

(LAUGHTER)

ROBERTS: Well, anybody else? Somebody say they remember that, will you please...

CLINTON: Over here, Pat. I remember.

"Inside Politics," CNN, 2/27/2003

WOODRUFF: Two of Washington's most polarizing political figures have come together to promote a shared concern. Senator **Hillary Rodham Clinton** and House Majority Leader Tom DeLay hosted a movie screening last night to publicize the needs of America's foster children.

Our conversation on that subject is coming up just a little later this hour. First, though, their thoughts on a potential war with Iraq. I started by asking Senator Clinton if she agrees with President Bush that Iraq has been given every chance to disarm, and that we're just weeks away from war.

(BEGIN VIDEOTAPE)

CLINTON: Well, I think that's the unfortunate conclusion that one has to draw from any objective reading of the evidence, not just in the last months, but going back more than a dozen years now. So I think that the president's made the right decision to go back to the United Nations. I always believe if you can have a larger group of people behind you, not only for the military action, where we don't really need their help, but for what comes after, that's preferable.

But I also believe that at some point, this has been in Saddam Hussein's hands from the very beginning. He signed agreements that he has failed to keep, and even now has refused to cooperate with the inspectors.

WOODRUFF: And, Mr. DeLay, no more chances? You agree we are just days, weeks away?

TOM DELAY (R-TX) HOUSE MAJORITY LEADER: This has been a long time in coming. It started at the end of the Gulf War. And it has taken all of this time for us to finally understand that this man has no intention of being part of the international community. And that he has no intention of honoring his agreements.

In fact, he has gone even beyond that in building weapons of mass destruction, of supporting terrorist organizations. And we have tried every way that we know how to avoid war. And it looks like because of Saddam Hussein, we might actually have to go to war.

WOODRUFF: And if the cost is as high as we're now learning it may be, the administration saying \$95 billion, an enormous amount of money, will that be worth it, Senator?

CLINTON: I do have serious questions about the cost, the length of the commitment that we will have to make in Iraq and to the Iraqi people. I believe that we have to have more information in the Congress and among the American public to make a good judgments about what we need to be doing. I am worried that it seems inconsistent and unsustainable for the president to be asking for large tax cuts before we know what our continuing obligations are.

I would like to see us just take a deep breath, deal with Iraq if we have to, understand exactly what we've gotten ourselves into, because in the briefings I've received, there's a lot of unknowables. You hear that from the people at the Pentagon and the State Department. And I don't believe that we really fully appreciate the cost that we may be embarking upon.

WOODRUFF: Mr. Leader, do you have any of those concerns? And do you see the inconsistency that the Senator describes between the war costs and the tax cuts?

DALEY: This is where we probably get a divorce.

CLINTON: An amicable one.

DALEY: Yes. This is -- I believe, strongly, from my experience, that if you give tax relief, it grows the economy. And from the economy, you raise the revenues to pay for this war and this government. The opposite just doesn't work, and if we're going to pay for this war, and we have to pay for this war. If you go to war, you go to win. And you're going to have to pay for what it takes to win.

WOODRUFF: And so any price is worth it?

DALEY: Keeping the American people safe, winning this war on terrorism, of which Iraq is a central part, yes. Whatever it takes to win the war on terrorism and keep the American people safe is worth it.

CLINTON: Well, we'll have to have a continuing conversation about this, because I did support the president. And I did so based on, you know, my assessment of what kind of potential threat Saddam Hussein did represent and the need, frankly, for the world community to accept responsibility. But I do believe that caution is in order right now with respect to the fiscal condition of our government, and the cost that we're going to be incurring and the unintended consequences.

(END VIDEOTAPE)

WOODRUFF: A little later this hour, Senator Clinton and Congressman DeLay, Majority Leader DeLay, talk about working together, though, to improve the lives of America's foster children.

Coming up, reconstructing Iraq after the war. How much will it cost? And who will call the shots? I'll speak with an expert on rebuilding.

(MARKET UPDATE)

(BEGIN VIDEOTAPE)

WOODRUFF (voice-over): It's time, again, to check your "IP IQ." The District of Columbia was placed under the jurisdiction of Congress on this date, February 27, in what year? Was it A: 1801, B: 1857 or C: 1903. The correct answer is A. Congress officially began to exercise authority over Washington, D.C. on this date in 1801.

(END VIDEOTAPE)

WOODRUFF: He's conquered Hollywood, but can Arnold Schwarzenegger make it on the campaign trail? Some new poll numbers could hold a clue. I'll be back with that story.

(NEWS ALERT)

WOODRUFF: Well, as the United States moves closer to a war with Iraq, there's increasing discussion about the country's future after Saddam Hussein. The Bush administration is talking about having an American administrator run post-war Iraq.

I asked CNN Iraq analyst Kenneth Pollack at the Brookings Institution if that's a good idea.

(BEGIN VIDEOTAPE)

KENNETH POLLACK, CNN IRAQ ANALYST: Well, it's certainly some thing that could work, but I think it does run some risks. And I think it will be harder to make a U.S.-led reconstruction of Iraq work properly, because there are a lot of countries around the world who are very concerned that the United States is planning to invade Iraq, because we want to get our hands on the oil wells, because we want to set up a new colonial system in Iraq, also because you do have a lot of countries who are very opposed to U.S. unilateralism in general.

And that creates a set of problems that any U.S.-led reconstruction of Iraq would have to deal with that might not be there if it were, say, under the umbrella of the United Nations. Those are things like getting additional countries to come on board and contribute to the reconstruction. If it's a U.S.-led operation, it's going to be harder to get other some of these countries to come on board, to contribute troops to the stabilization force, to contribute money, etcetera.

We're also going to need to get the nongovernmental organizations, the NGOs, which have critical skills and critical manpower that are going to be necessary for reconstruction. I myself have been talking to a number of those different groups. And they all suggest that they're going to be very leery of coming into a situation where it's the U.S. running the show. They'd be much more comfortable having the United Nations at least leading the project, even if it was the United States that was doing the lion's share of the actual work.

So I think it does set things up to make it a much harder reconstruction effort.

WOODRUFF: It remains to be seen whether the U.S. would be willing to do that, though.

Ken, what about the president and what we're hearing from the administration that they believe Iraq can become a democracy?

POLLACK: I don't think that it's a sure thing that we can turn Iraq into a democracy. And I think it's very unlikely, even if we success, that we could do it quickly.

WOODRUFF: But what do they have working against isn't it?

POLLACK: Well, that's just it. Iraq is a small, relatively underdeveloped country. It's a Third World state. They don't have a very good history with democracy. The only real experience that they had was a period under British rule, where they had a kind of constitutional monarchy, but it really never worked as such. So they don't have a whole lot of experience.

They have deep ethnic fissures. They have a long history of mistrust among those different ethnic groups. And you have a lot of people inside of Iraq right now who don't particularly want a democracy. They'd like to return to some other form of dictatorship. The key is that each of them would like to be the next dictator. And these are all different kinds of issues that are going to have to be overcome.

And, as I say, we've seen them overcome in other places around the world. There's no question about that. There's no reason why it's impossible in Iraq. But what we've seen is, even when you can overcome it, it takes quite some time.

(END VIDEOTAPE)

WOODRUFF: CNN's Iraq analyst, Ken Pollack.

Just ahead: The Republican push for labor support hits a roadblock, an update on the challenges facing organized labor and why some union leaders are so angry with the Bush White House.

(COMMERCIAL BREAK)

WOODRUFF: Efforts by the White House to peel away union votes from Democrats next year just got a little harder. Labor Secretary Elaine Chao yesterday angered union leaders when she cited at length past examples of union corruption during an appearance at the winter

meeting of the AFL-CIO. Chao's remarks are just the latest example of what some labor leaders say are a string of anti-union actions by the Bush White House.

Here's CNN senior political correspondent Candy Crowley.

(BEGIN VIDEOTAPE)

CROWLEY: Don't be fooled by the Hollywood, Florida, site of the AFL-CIO's winter meeting. Organized labor has fallen on hard, cold times.

JOHN SWEENEY, PRESIDENT, AFL-CIO: This administration has actively sought every opportunity to pull the rug out from under working Americans.

CROWLEY: Layoffs are up. Union membership is down. The adrenaline is running.

ANDREW STERN, SEIU PRESIDENT: This is enormously important, that someone be able to beat George Bush.

CROWLEY: It's not that anyone expecting organized labor, one of the Democratic Party's biggest contributors, to be Bush enthusiasts. But et tu, James Hoffa?

JAMES HOFFA, PRESIDENT, TEAMSTERS: And I think that this administration has veered dangerously, since the convention, towards a policy that leaves working people out and working families out. And I think that they're not responsive to what's going on.

CROWLEY: This is the guy the Bush administration has been wooing a bit, looking to make dent in the solid wall of union Democrats. But, at the moment, they seem to be solidly looking elsewhere.

An AFL-CIO endorsement is a big deal, worth its weight in worker bees, votes, and contributions. Every Democratic candidate would like it. It's why five of them trucked down to Florida for the meeting. It's the stuff dark horses dream of.

HOWARD DEAN (D), PRESIDENTIAL CANDIDATE: A very good endorsement -- excuse me -- I mean a very good reception -- what most people really want is somebody who can win. And I think we're going to have trouble winning with somebody who is from inside the Beltway.

CROWLEY: Richard Gephardt is the emotional favorite. The Missouri Democrat has working-class roots and the best pro-labor record of the '04 bunch. The only thing the AFL-CIO wants more than a pro-labor Democrat is a Democrat who can beat George Bush.

STERN: It has to factor into endorsement. This is not a crusade. This is trying to win an election for the future of the country. And it's enormously important to us that whoever we select be someone who can win.

CROWLEY: And that is Gephardt's to prove.

REP. RICHARD GEPHARDT (D-MO), PRESIDENTIAL CANDIDATE: Certainly, I am a candidate who can win in the industrial heartland of the country. And that's where George Bush will be beaten.

(END VIDEOTAPE)

CROWLEY: It will be some time before the AFL-CIO makes an endorsement, but labor leaders are determined to rev up their political apparatus ASAP. The union envisions volunteers working not just a few months before an election, but year-round, a network to mobilize members not just on behalf of candidates, but on issues before Congress -- Judy.

WOODRUFF: They're sounding very practical.

CROWLEY: Yes.

WOODRUFF: They want a winner.

CROWLEY: Yes, that's exactly it. And that's what the Republicans said last time around. Give us somebody who can win.

WOODRUFF: That's exactly right.

All right, Candy, thanks very much. Appreciate it.

Well, Donna Brazile and Bay Buchanan will debate the president's labor pains and his plans for rebuilding Iraq.

That's just ahead on INSIDE POLITICS.

(COMMERCIAL BREAK)

WOODRUFF: With us now: former Gore campaign manager Donna Brazile; and, in Los Angeles, Bay Buchanan, president of American Cause.

Let's talk first about Iraq, the president saying last night -- we've heard other statements coming out of this White House -- that the administration, post-war in Iraq, likely to be run by an American, not only that, that they have great hopes for a democracy in Iraq.

Bay, are these realistic and smart plans for the administration to be making?

BAY BUCHANAN, PRESIDENT, AMERICAN CAUSE: Well, I always worry when you start talking about what you're going to do after the war. I'd kind of like us to focus on the immediate future, which is the war, and make certain we do that well and win it outright. And, obviously, we will.

But this is what concerns me, Judy, when I heard the president. Not only did he say we are going to disarm Iraq, which is his purpose there, but also free a people and set up a democracy. And we're going to have a role model for the region. And, in the meantime, we're also going to encourage these people to also move towards democracy. And we will resolve the Palestinian-Israeli situation, an enormously utopian, expansive role for the United States in the Middle East.

I think, if we win this thing and set up something and try to get out of there as quickly as we can, that might be advisable over what he's talking about.

DONNA BRAZILE, CHAIRWOMAN, VOTING RIGHTS INSTITUTE: Well, Bay, I agree with you, because every time the president opens his mouth, that's another billion dollars.

And I tell you, the cost of this war is enormous. Already, the administration is talking about \$90 million and then, of course, the post-war...

WOODRUFF: Ninety billion.

BRAZILE: Ninety billion -- thank you, Judy -- \$90 billion -- can't pronounce a billion right now. And then, all of a sudden, you have this cost of rebuilding Iraq and then maintaining control of the police.

And one of the things that I think they need to be careful -- Mr. Hussein has been carefully orchestrating over the years, making the people rely on him for everything from police and fire to food rationing. So this is going to cost an enormous amount of money, a lot of time and resources. And I don't think no Americans should be sitting there, and especially American military personnel, and running that country.

This is why you need the U.N. You need the U.N. support. And the U.N. should go in there and help. If we go to war, the U.N. should be there to try to help a government post-war Iraq.

BUCHANAN: You know what concerns me with what Donna is saying, Judy, is the fact that we're doing something, obviously, which the president feels is going to be enormously beneficial to the neighbors, to the region, even to the world.

And yet we're doing this and we're being asked to pay not only for the war, but also to pay money to Turkey, to pay money to Israel. They're asking for \$15 billion extra. All these countries also want us to pay for the right to come in and defend them against this tyranny. It doesn't make sense. And I think it's time for the American people to hear from the president, look, if we're going to pay for it, we've got to cut some of this foreign aid out. We've going to take care of the defense because we're going to go in and solve some problems.

But the U.N. and Israel and Turkey, they can't be having our money as well.

WOODRUFF: And there may be other payments to come in order to get that U.N. along with us.

BUCHANAN: Absolutely.

BRAZILE: Absolutely.

WOODRUFF: Just quickly to this story, domestic political story, I was just talking about with Candy Crowley.

And that is Elaine Chao, the labor secretary, down meeting with organized labor leaders, ticked off a list of organized labor corruption. And let me just quickly read you what the president of the Machinists Union had to say after he listened to her to Secretary Elaine Chao, whose name is Thomas Buffenbarger.

He said: "I felt a little appalled that a labor secretary would come to the meeting prepared to attack the labor movement. She came prepared with her book of sins. It's like Satan at the gates of hell."

(LAUGHTER)

WOODRUFF: Donna?

BRAZILE: Well, you know what? I think all of my friends -- I talked to a couple of labor leaders today. And they were surprised that she came down there and threw the book at them, so to speak. She burned the only bridge that he had to the labor movement. The Teamsters and others are furious at her remarks. And I think that this administration is going to have to work overtime to repair its relationship with labor leaders.

WOODRUFF: Bay?

BUCHANAN: In fairness, I don't understand why anyone would take a litany of terrible things a group has done and read it to them. That wasn't necessary, I don't think.

But she walked into the lion's den. These individuals, the union leaders, were already angry as they can be with the president, because he managed to get rid of union protections for the homeland security employees. And, also, he's asked for additional financial disclosure from the unions. And they're very, very upset with these.

She walks in and adds to their furor. I don't think she needed to do that, but I don't know that she was going to win. They were ready to embarrass the president's person no matter what.

BRAZILE: Bay, and these leaders are already upset because workers are losing their jobs, their health care, and these companies are going bankrupt. And she walked in and said, essentially, no to raising the minimum wage and yes to tax cuts.

WOODRUFF: We're going to live it there. Donna, Bay, thank you both. It's great to see.

BUCHANAN: Thank you.

BRAZILE: Thanks, Bay.

BUCHANAN: Thank you.

WOODRUFF: Still ahead: rating Hollywood stars. Are they getting raves for protesting more? Bill Schneider will be back with more poll numbers.

(COMMERCIAL BREAK)

WOODRUFF: TV and movie stars are often judged by their ratings or their performance at the box office. But our Bill Schneider has some other numbers that my interest some of Hollywood's outspoken figures.

Bill, all right, when celebrities speak out on political issues like war with Iraq, does it affect how popular they are with the public?

SCHNEIDER: Well, on the issues, it has very little effect. Only about 10 percent of Americans acknowledge that, when an entertainment celebrity speaks out, it has any effect on their views of the issue, but it does affect their views of the celebrity.

Take a look. Martin Sheen, Alec Baldwin and Barbra Streisand have been outspoken critics of President Bush and the war with Iraq. Most Democrats have a favorable opinion of them, but not most Republicans. Martin Sheen's popularity drops off about 20 points among Republicans. President Bartlet is not their man. The same thing happens to Alec Baldwin.

The really partisan figure is Barbra Streisand, who raises money for Democrats. Her favorability drops 40 points among Republicans, people who don't like certain people. Now, here's a celebrity who is not particularly liked by either party, actor Sean Penn. People who go to Baghdad are not the most admired people in the world.

And here's a celebrity who is above party: Arnold Schwarzenegger, a Republican, married to a Kennedy. Schwarzenegger is very highly regarded by both parties, which may be why he's taken very seriously as a potential Republican candidate in California.

Now, ah, you say that's because men like him. Well, you're wrong. Schwarzenegger is more highly regarded by women than by men. In fact, he gets a 78 percent favorable rating from Democratic women. Remember, he sponsored a measure for after-school programs for children in California. Could the Terminator being the real compassionate conservative?

WOODRUFF: Well, women like the Terminator, too.

SCHNEIDER: Yes.

(LAUGHTER)

WOODRUFF: All right, Bill Schneider, thanks very much.

Crossing the aisle for a good cause -- when we return, how two lawmakers who disagree on so much came together on a shared interest in children -- more of my conversation with Tom DeLay and **Hillary Rodham Clinton**.

(COMMERCIAL BREAK)

WOODRUFF: More now of my conversation with Senator **Hillary Rodham Clinton** and House Majority Leader Tom DeLay. Their shared interest in helping foster children brought them together in a working partnership that probably has raised a few eyebrows around Washington.

I spoke with them last night at the screening of a film about foster care.

(BEGIN VIDEOTAPE)

WOODRUFF: Senator Clinton, Majority Leader DeLay, with all due respect, talk about an odd couple.

(LAUGHTER)

WOODRUFF: I mean, it is hard to think of two public figures, elected officials, who are more diametrically opposed in their views. But the two of you have come together.

But my first question is, who is Felix and who is Oscar?

(LAUGHTER)

DELAY: Maybe we ought to flip for that.

CLINTON: That's right. Exactly.

DELAY: I'll take Oscar.

(LAUGHTER)

WOODRUFF (voice-over): What brought them together is the man in the middle, Antwone Fisher, the subject of Denzel Washington's critically acclaimed film about foster care.

(BEGIN VIDEO CLIP, "ANTWONE FISHER")

UNIDENTIFIED ACTRESS: Nobody wants you.

UNIDENTIFIED ACTOR: Nothing. Worthless. I hate you.

(END VIDEO CLIP)

WOODRUFF: DeLay and Clinton discovered their shared passion at an adoption bill signing ceremony back in the late '90s, when he was one of her husband's most powerful political enemies. But when it came to the rights of foster kids, they put their differences aside.

DELAY: A lot of people just really don't want to talk about these issues. These children, many of them have been severely abused and neglected, have been taken from their home. They have issues that they have to deal with.

And what happens to them is something people really don't want to face. But we have to face it. We have a whole generation of children out there that -- thousands of them -- that are in the foster care system. And we need to build a system that gives them a stable home that is -- and that they're raised by people that truly love them and want to see them succeed.

WOODRUFF (on camera): But what's to stop that from happening?

CLINTON: In all of the years I've been involved on behalf of foster children, it's kind of out of sight, out of mind. The children are often from poor families, disadvantaged circumstances.

Antwone Fisher, whose movie we're screening tonight, was born in prison. His mother was a minor. And he was immediately taken from her. I think that if an individual child can be brought to public attention, there's often an outpouring of concern. The problem is, we have literally hundreds of thousands of children, about 550,000 of them now, in the foster care system. Every one of those children has a story.

To me, it's a failure every time we keep a child in foster care for that child's entire life. There should be a decision made to either reunite a child by trying to help a family get back on its feet and take care of its children or we should remove the child and try to find a good, loving home in the foster care system, but, much more importantly, try to find a permanent home.

WOODRUFF: Mr. Majority Leader, if the two of you can work together on something like this, are there other issues that you can come together and work on?

DELAY: Well, I'm sure there are. We just have to look for them.

(LAUGHTER)

WOODRUFF: Have you talked about that? Are there any other things you've discussed that you might work together on?

DELAY: Not really, but I'm sure there's something out there that we could work together on.

(LAUGHTER)

CLINTON: Well, the problem is that we're going to see how well we can actually accomplish what we've set out to achieve here. Tom would probably be in trouble in the place he comes from if he worked with me too much. So I don't want to get him into any trouble. We want to take care of the children and do everything we can to give these children a better life.

WOODRUFF: Are you in any trouble over this?

(LAUGHTER)

DELAY: I don't think so. I think people are wide-eyed about the fact that we can come together and work on something. It's really important. And it's important to convince people that we need to design a system that has the best interests of the child...

CLINTON: That's right.

DELAY: ... at heart and a system that connects people rather than files, that you need people-to-people contact.

These children need a safe, permanent home with a foster parent or a parent that they know that that's going to be their home for as long as they're in the system and they know that these people are doing it, they're taking care of them, because they love them.

WOODRUFF: We're going to leave it there, but we hope you'll let us know when you decide the next issue you're going to work together on, because we will want to talk to you about that.

CLINTON: You'll be the first to know.

DELAY: Absolutely.

(LAUGHTER)

WOODRUFF: Majority Leader Tom DeLay, Senator Hillary Clinton, thank you very much. It's good to see both of you. We appreciate it. Thank you.

DELAY: Thank you.

CLINTON: Thank you.

(END VIDEOTAPE)

(COMMERCIAL BREAK)

WOODRUFF: As Americans face the prospect of another war, many parents and children would like a reassuring presence on their television screens. Well, one of the best-known faces to do that has died.

Fred Rogers, the gentle, soft-spoken host of Public Television's "Mister Rogers' Neighborhood," died of stomach cancer in Pittsburgh today. He was 74 years old. On his show and in special public service announcements, Fred Rogers and his familiar cast of puppets helped generations of children deal with difficult subjects, including the Persian Gulf War more than a decade ago and, more recently, September 11.

Mr. Rogers was honored by presidents for his half-century career in children's television and his contribution to the nation. Above all, he'll be remembered in the smiles of children and the grownups that they have become.

Mr. Rogers, we remember you.

That's it for INSIDE POLITICS. I'm Judy Woodruff. Thanks for joining us.

CHAIRMAN HOLDS HEARING ON NOMINATIONS, 2/27/2003

CLINTON: Thank you, Mr. Chairman.

Mr. Woodley, I understand your nomination will also be considered by the environment and public works committee on which I serve and I hope you will forgive me if I focus my attention today on the other two nominees. I will look forward to having an opportunity to discuss issues with you before the EPW committee.

Ambassador Brooks, much of the nation's work in counterterrorism will be, as I understand it, managed and funded by the newly established Department of Homeland Security. The Department of Energy and the National Nuclear Security Administration have led discussions to establish a joint sponsorship agreement with DHS and they've identified five DOE labs that will directly support homeland security and have special relationships with the Department of Homeland Security.

At this time, the list of labs include Livermore - Lawrence Livermore, Sandia, Los Alamos, Pacific Northwest and Oak Ridge. After several discussions with the principles involved, it appears unlikely that this list will include Brookhaven as one of the designated key laboratories, even though Brookhaven's capabilities are important and relevant to the technology development mission of the DHS.

I am concerned about this refusal to consider Brookhaven as one of the special labs. It is clearly a critical facility that is performing an extraordinary amount of high level and essential work that I believe is directly relevant to the needs of homeland security and national security.

So, my question is, what are you doing to ensure that the capabilities of all the DOE labs are brought to bear on these problems and what about the role of Brookhaven. Is it possible that Brookhaven could now or in the future be included as a key DOE laboratory in the area of homeland security?

BROOKS: Senator, the precise answer to the last part of your question I'm going to have to refer to my colleagues at the Department of Homeland Security, but let me make a couple of comments about how we got here.

First of all, I don't want anything that anybody in our department or homeland security has done or said to be taken as some indictment of Brookhaven. Brookhaven has been supporting our non- proliferation programs and my former responsibility Brookhaven supports our radiological assistance program, which is part of our emergency management area.

When we began the discussions with the Department of Homeland Security, we were primarily focused on the particular problem -- programs that for which responsibility is being transferred. Those programs are all of our chemical and biological programs which will be transferred to the new department on Monday and our nuclear smuggling (ph) program.

In those particular programs, Brookhaven has not played a particularly large role. So, our focus in our initial discussions with the Department of Homeland Security has been on the seamless transfer of ongoing programs.

I don't believe that there is any intent to exclude future consideration of Brookhaven or the other Department of Energy national laboratories, but our initial focus was, as I say, on the laboratories, which had ongoing programs. The agreement we are working with the

Department of Homeland Security would not preclude involvement of other national laboratories.

I'll be glad to carry your concerns specifically to my homeland security colleagues.

CLINTON: I really appreciate that, Ambassador. In part I do, because I think radiological potential for attacks is as important and maybe even more likely in some instances than chemical and biological given the ease of putting together a dirty bomb, then, of course, other nuclear terrorist potential as well.

So, I think there are some artificial lines that might be in the process of being drawn, that I'm not sure are going to make that sort of seamless transfer and the integration of the issues and DHS as smooth as they could be.

But Ambassador, I also would like to ask in response to the committee's policy questions, you state that you favor securing accounting for and disposing of weapons usable nuclear material beyond the former Soviet Union. But that the countries typically identified for such assistance, such as India, Pakistan and China, have thus far shown no interest in U.S. assistance.

Are there other nations that you believe could benefit from expanded non-proliferation programs and secondly, do you think we're devoting enough resources to securing and accounting for and disposing of nuclear material in the former Soviet Union.

BROOKS: The second one is easy -- yes. We are not now in the former Soviet Union limited by money. We are limited by the ability of a somewhat cumbersome and bureaucratic Russian system to absorb assistance. So, there's no question that right now the resources that Congress has provided in '02, '03 that I hope will be provided in '04 are more than adequate.

With respect to other countries, the principle area that we need to focus on is research reactors that use highly enriched uranium fuel. The notion here is to try and get those converted so they don't need highly enriched uranium and then get the highly enriched uranium fuel, which is by definition suitable for weapons use back.

You saw that in the operation that the State Department and we and others led in Yugoslavia. We are working those discussions in other countries. I'd like to be a little non-specific about where we...

CLINTON: That's fine.

BROOKS: ...where we are talking. I think that is the biggest area. Most of the highly enriched uranium -- there are a lot of reactors everywhere, but they use low-enriched uranium of much less concern.

Most of the highly enriched uranium in the world is in the countries you have mentioned or in countries in Western Europe where you have a -- we're always in discussion with our friends about how to improve security, but the issues are a whole different level. They have the knowledge and the resources.

So, I don't think that there is a large, unmet need except in the countries I referred to in my statement and cooperative programs require cooperation.

CLINTON: I might want to follow up in a non-public hearing on some of the others.

BROOKS: I'd welcome that opportunity, ma'am.

CLINTON: And if I could, Mr. Chairman, I wanted to ask Dr. Cambone, based on his answers to the policy questions, you state that with much of our military based inside the United States and our role in protecting the nation, there are likely to be many areas of common concern in potentially coordinated action with the Department of Homeland Security.

When George Tenet appeared before this committee two weeks ago, I asked him about the need to ensure that the new terrorist threat integration center directs proper intelligence to local and state law enforcement agencies and this is one of our continuing problems and it is something that I'm sure will never be resolved satisfactorily to all parties involved.

CLINTON: But nevertheless, it is important that we have as clear an idea as possible about the type of intelligence, about the type of threats within our country that you will be sharing with the TTIC and how that intelligence will flow to local officials and if you could, would you briefly describe the state of play in the thinking about how that is going to work.

BROOKS: Yes, I would. There are two, at least two dimensions in which the department will interact at the state and local level. One has to do with the relationship of the base commanders. They, in turn, working through the command that we set up in Northern Command, looking to do what is called anti-terrorism force protection activities. That is the physical security of the installations.

That implies an interaction with the local authorities to assure that communications are properly done, information is shared. If there are people who are observed outside the fences of these installations, that is often shared daily. There come reports on the sharing of information between our people and the law enforcement people in the communities.

The TTIC, as it is called, is designed to enable the flow of broader information intelligence data back out to those who need it to include local and state officials. And the key to this is going to be and I must say it's in its very early stages and I have not been involved in the detail of its construction.

But the key to it is going to be to separate the information from the sources. And that is something that we need to learn to do. It is unfortunate that we oftentimes lend the credibility of the information to the source. And so, therefore, you tend to send the sourcing along with the information as a way of validating the information. But once you have done that, of course, you can't disseminate the information very far, because you put the source at risk.

So, one of the interesting cultural changes we are about to undergo and have begun the process of beginning is to separate the collection from the analysis. And if we can learn to do that, and they are struggling to learn to do it, I think then that flow of information will be a lot easier.

Now, that all has to be coordinated through Governor Ridge's people at homeland. They are the ones who are charged with the lead. But the secretary has made it plain that we are to be very active in this effort.

CLINTON: Thank you.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON FY 2004 DEFENSE AUTHORIZATION, 3/6/2003

CLINTON: Thank you, Mr. Chairman. And, I want to thank you and particularly, Senator Allard, for raising the important issues about discipline and behavior at the academies. And I appreciate the seriousness with which the secretaries are addressing this very crucial issue that obviously concerns many of us, not only those of us here on this dais, but people all over our states and indeed the country.

WARNER: Well, Senator, I thank you. You've spoken to me on several occasions about your concerns on this case.

CLINTON: Well, thank you. And I know that in the great scheme of things where we have 200,000 of our men and women on the knife's edge of going into harm's way, some might wonder why we're raising this, but in deed, I think it demonstrates the strength of our system and the commitment to our overriding values. And I am very proud that it has been raised and followed through in such a professional manner.

I also want to express my appreciation to the secretaries for their response to the question that the chairman asked toward the beginning of the hearing concerning General Shinseki's testimony before us a week or so ago. I understand completely that we're talking about unpredictable, in the words of Secretary Rumsfeld, annulable factors, perhaps, but I think that the manner in which you responded to that question and referred to General Shinseki's personal service with a comparable set of circumstances was very welcomed. And I for one appreciate it. And I think that the range that we're attempting to understand that Senator Levin has consistently questioned every witness about is an important one for us to continue to probe. And I thank you for the way you responded to that inquiry.

I have a series of questions. I will submit them to the record. And with respect to a question, Secretary Johnson, about Coast Guard deployments, I will be submitting to the record a letter that I'm sending to you with respect to more information about the call up of Coast Guard ships. Last week Admiral Clark informed me that the Coast Guard cutters have been periodically deployed with Navy carrier groups to ensure their readiness to work with Navy ships in times of crisis. However, according to a Coast Guard spokesman, this is the first time the Coast Guard combatant ships have been deployed in support of a national contingency in 30 years. Indeed, one news report indicates that the Coast Guard has sent one-fourth of its patrol boat fleets from the mid-Atlantic and New England to the Gulf. And, as I have stated on numerous occasions, we in New York and other coastal states, particularly along the east coast, count on the Coast Guard to be part of our homeland security to guard our ports against potential terrorist threats, as well as to provide assistance and leadership in responding to emergencies such as the recent barge explosion on Staten Island where the Coast Guard was the first responder on the scene and helped to contain that accident.

So, I will be asking for additional information about how many current Coast Guard cutters, including patrol boats, are currently deployed and the criteria that are used to determine deployment, how long we're expected to see them deployed overseas and the missions that they are currently performing and any provisions or planning with respect to replacing their necessary functions into the future. Because, obviously, as we are looking at the multiple challenges that we're confronting it's imperative that we think ahead and I don't know that deploying Coast Guard cutters in times of heightened alert will always be a very good idea and it may be necessary, but we may have to look for alternatives. So, I will look forward to receiving those questions answered.

Similarly, Secretary Roche, I am deeply interested in the work that is done at the Air Force Research lab in Rome. Have you had a chance to visit the lab? I would love to host you and be there with you when and if you do?

ROCHE: I would be delighted. That's the sort of stuff, that if you know my past, it turns me on. Unfortunately...

CLINTON: Well, I wasn't inviting you to be turned on, Mr. Secretary.

ROCHE: ... (inaudible).

CLINTON: I'm only kidding, I'm only kidding. I couldn't resist.

ROCHE: I meant electronically research, ma'am...

CLINTON: I know, I know, I'm just kidding.

ROCHE: I would be delighted to join you there. It's a great place and it's done some very interesting work and it's also doing some very good work for our special operators.

CLINTON: Well, it would be a great pleasure. And, obviously, the work that's being done developing these revolutionary cyber security technologies are one of the most important investments we need to be making with respect to our cyber infrastructure and the protective technology that is required. So, I hope that we'll have a chance to do that sooner instead of later.

And, finally, I would just echo the questions and concerns of my colleague, Senator Ben Nelson, about first responders. This is another one of those issues that has to be taken into account as we plan for the future. I know Secretary Rumsfeld has apparently expressed concern about the heavy reliance that our forces have on reservists and guards for the kind of deployment that we're now experiencing. And, of course, in many communities around our country, we're deeply dependent upon them in our firehouses and our police stations and our emergency rooms. So, I think we're going to have to consider how to better deal with the demands on both ends of our security spectrum, both here at home and overseas, as we look at the reserve components.

Mr. Chairman, the secretaries have been very helpful in responding to concerns that many of us have expressed about individual reservist situations about the question that Senator Nelson raised, possibly married couples with children both serving in the same combat area. If there is any kind of formal statement or policy that has been adopted on this, we might want to get that just so that we all know if they're individual service policies, we need them, but if there's something that is being developed across the board, it would be very useful because we're -- many of us are receiving a lot of questions from, not only constituents, but from mayors and county executives and others who are facing these tremendous fiscal crisis that they are currently undergoing and having to pay the reservists costs. We're just trying to get our arms around what we might be doing going forward. So, I look forward to receiving that.

WARNER: Thank you, Senator, that will be done.

JOHNSON: Mr. Chairman, if I could...

WARNER: Yes.

JOHNSON: ... comment about the Coast Guard. We'll provide all the information you asked for. The partnership between the Navy and the Coast Guard has always been strong. It's even stronger now. There are some things that military people cannot do boarding ships and so forth, where Coast Guard members have that authority. We'll provide the information on the ships that go forward. But, that partnership is tremendous forward and in the homeland. We are supporting the Coast Guard here very, very much. And we'll provide the information to you.

CLINTON: Thank you, Mr. Secretary.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON FUTURE OF NATO, 3/27/2003

CLINTON: Well, I appreciate the last exchange very much because I share Ambassador Grossman's opinion about the importance of this alliance and the role that it will play in the future, not just what it's done in the past.

But I want to get back to the point that was made both by the chairman and the ranking member about the opportunity for some kind of process that leads to modernizing, reforming, whatever word we wish to use, with respect to the way NATO functions.

How exactly are you going to pursue that?

FEITH: Senator Clinton, first let me just say that before you came both Doug and I expressed our condolences on behalf of the State Department and the Defense Department for Senator Moynihan passing.

CLINTON: Thank you.

FEITH: And I wanted to do that to you personally.

I will have to consult with Ambassador Burns. I'll have to consult with others in the administration about what the best mechanism to do that is.

Senator Levin and others raised this a year or so ago. We debated it, and you remember at that time what we were concerned about was what if countries weren't very democratic, how would we deal with them?

And now we're concerned with countries who block...

CLINTON: That are too democratic in our point of view, which is what we're hearing...

FEITH: Fair enough, but who block NATO's way forward.

So I don't mean to avoid your question, but I don't want to get locked into a process today that's going to solve today's problems, which might not be next year's problems.

And so I committed to Senator Levin that I would -- we would take a look at this. I will commit to you that we'll talk to Ambassador Burns and others, and we will meet our obligation to put this into the thinking of the alliance.

WARNER: If I could interject. That's a very important question that you raised, Senator Ben (ph), and Senator Levin, and then I joined him, jointly have made a request that a formal communication back from the Department of State to this committee once that procedure has been reviewed and decision made as to how or how not to implement it.

GROSSMAN: That's a perfectly fair way to put it.

CLINTON: And I really appreciate that, because I am a very strong supporter of NATO and the Atlantic alliance on which it rests, and I am particularly pleased at the expansion that has been undertaken.

And I think it is an opportunity not only for us to meet in a new century the goals that the Secretary Feith described to Senator Pryor, but to think anew about what additional opportunities and goals we should be pursuing.

So I can't stress enough that this is essential, in my view, to saving the alliance in more than just name. You know, that is not what we want.

Secondly, I think that the conversation that has gone on, particularly with respect to France and to a lesser extent Turkey, illustrates the contrary to what the implication might have been.

In fact, I think it illustrates quite strongly the need for us to redouble our efforts to repair whatever damage has occurred within the NATO alliance and to redouble our efforts to build strong relationships.

I'm particularly concerned about Turkey. And I know that Secretary Grossman has a special interest, having hosted me there, and I think I have visited every one of the NATO countries, both members- elect and others.

With respect to Turkey, I think that it's important that our country not send a mixed message about democracy. You know, it was unfortunate. But I think that the ambassador's explanation about a new administration coming in, in a sense, one that had frankly been on the outside, one whose relationship with the Turkish military was at best an unknown, at worst perhaps not even that good.

There was a lot of very important negotiation to be undertaken with our ally. And I think it's especially important that we pursue it now with the new government of Turkey.

And I also hope that we will redouble our efforts. And I know this administration has made a very concerted effort on behalf of public diplomacy. But if we are going to be a coalition of democracies we can't just expect the people in those countries to rubber stamp whatever their governments proceed to do, despite what our assessment might be.

So I just want to make sure that we are supporting the NATO alliance, we're supporting the Atlantic relationship, and we are looking for ways to strengthen it going forward.

CONFERENCE CALL BRIEFING ON THE DEMOCRAT AMENDMENT TO THE SUPPLEMENTAL TO ADD FUNDING FOR FIRST RESPONDERS, 4/2/2003

SEN. **CLINTON:** Well, yesterday Senator Mikulski, Senator Schumer, Senator Daschle and Senator Corzine and I on behalf of our Democratic colleagues announced a new Homeland Security package to be included in the emergency supplemental as an amendment. I believe that the president's proposal last week was a good start, but it's not nearly enough for what we need to do here at home in order to fight this two- front war. Our amendment will bring a total of \$4.3 billion including \$3 billion in grants to local communities to help cover these extra costs. And in New York, this provides a significant increase in money over what the president's proposed and what came out of the Appropriations Committee yesterday. It's a difference between 87 million in the chairman's mark or 140 million. And that's the case for every state, because every state does need additional money, as we know from a number of surveys that have been done, so that they can purchase the equipment they need or the new communications systems they require and to hire and train the personnel that is called for under these circumstances.

Now, in addition to the money that will go directly for first responders, I was very pleased that we included the idea I presented back in a speech at John Jay College in New York City last January to put aside a billion dollars for high threat areas. I have spoken on a regular basis to Secretary Ridge. I have presented to him my ideas about how we can get money more directly to the high threat areas, such as New York, such as Baltimore with its port, such as other places in our country. And we know that when the threat level goes up nationally the dollars spent in our urban areas goes up as well. In New York City we're spending a total of \$5 million a week because of Code Orange and in New York State \$7-1/2 million. The president only set aside \$50 million to cover these costs. And, you know, New York would have exhausted that whole national commitment by the end of next week.

The Conference of Mayors says that the cities are spending an additional \$70 million a week for Code Orange, more than the president asked for, the overall allocation of money.

So, I'm very concerned that we don't have enough money and we are pushing our cities and our counties and our high-risk areas into terrible financial straits, on top of all the other economic challenges they're facing. And this Democratic alternative, which I hope will have bipartisan support, would get more money out more quickly to everyone and would recognize that some areas need greater help, such as New York City.

Senator Mikulski?

SEN. MIKULSKI: Well, thank you very much, Senator Clinton.

First of all, I think we all recognize that over the last 18 months, ever since the horrific day of September 11th, the responsibilities of our nation's local police, fire and other first responders, like emergency medical personnel, have skyrocketed. And the fact is that in the president's supplemental, there's just not enough money to meet homeland security needs. It doesn't meet the needs of state governments and it doesn't meet the need of local governments. What our supplemental to this supplemental is -- that's what our amendment is -- is puts in not only more money, but it puts in more money where needed and it does it in a new way. This \$3 billion for first responders grants to states meets a need that continually emerges when you talk with local officials, which is the money stays at a state level and only trickles down locally. What this will mean is that 80 percent of the funds must go to local communities and it must be spent in 30 days, so it doesn't just sit with the coordinators of the coordinators while they coordinate the criteria.

SEN. **CLINTON:** (Laughs.)

SEN. MIKULSKI: The second thing is that it also goes to high- threat areas. We in the capital region -- we in the capital region are a higher high-threat area, not (both ?) Baltimore City, but Montgomery, Prince George's, Anne Arundel County. These are -- we are contiguous to the District of Columbia, and because of the federal assets in our state, we are enormously high-risk. One county, Anne Arundel, has the National Security Agency; the United States Naval Academy; the state capital; as well as access to the Bay Bridge; while we're at it, an airport; and is 20 miles from a nuclear power plant. Like, we've got real issues here. This is why this \$1.45 billion for high-threat urban areas is absolutely needed, because the criteria is based on both population and on risk.

And really the architect of the framework has really been Senator Clinton, and she should be -- and Senator Schumer -- they should really be acknowledged for that.

I also like the fact that it builds on existing programs. I am the creator of something called the Fire Grant Program. This was in effect even before September 11th, because we knew our first responders, the fire department, needed better equipment, they needed better communication equipment, and they needed training. And you can't do this on fish fries and bingos. So many of our fire departments really had to forage for funds. This does this, and then it also builds on the COPS program. So I think it brings the money to the local communities, spends the money on what is needed, helps our first responders be ready for all hazards, whether it's a terrorist attack or whether it's a tornado.

And in my own city of Baltimore, when there was a train caught on fire in a tunnel, with the possibility of toxic fumes engulfing the city, we didn't know if it was a predatory act by a terrorist. We didn't know if it was an accident in a railroad tunnel. But what we knew was that our firefighters were literally descended into hell to find out what was wrong and to risk their lives to do it. They needed the equipment. They needed the communications equipment. We need to support them for whatever challenges they face. And if we're going to have Liberty Shield, we need to make sure that we protect the protectors and also help local communities not have an unfunded mandate.

SEN. SCHUMER: I -- okay. I guess I'm next. This is Senator Schumer, and I'm sorry to join you all a little late.

The bottom line is that homeland security is every bit as much a federal responsibility as is fighting the war on terrorism overseas. And that's what the amendment that -- Senator Mikulski, Senator Clinton and I are trying to establish.

The bottom line is, you go to police and fire departments throughout the country and certainly throughout New York state, and they are stretched beyond belief. Number one, they have their usual job: making the -- keeping the streets safe and -- from both crime and fire. And second, the budget cuts are hurting them, and they're losing people. A lot of reservists go into the fire and police departments. But third, with the advent of 9/11 and particularly the war in Iraq, they have new responsibilities, and that is true whether you're in New York City, whether you're in Buffalo, whether you're on Long Island, whether you're in the North Country. Every part of our state we have seen that.

And up till now they have been given almost no dollars to help, even though the war on terrorism, both domestically as well as abroad, is a federal responsibility.

Our amendment tries to rectify that to a decent extent. We take account of the needs throughout the country, and so some money is distributed to just about everybody, because every place has needs.

But we also take into account that there are certain places -- and New York state has a whole lot of them, as does Maryland and many other states -- that have high need. And there we add and wall-off an additional billion-point-045 dollars to go to the high-need areas.

And the bottom line is, if you talk to your police and fire departments, they are really, really stretched. They are now lobbying for our amendment. They are calling senators on both sides of the aisle and asking them to support them. And we are hopeful that we can pass this amendment.

One other point I'd make -- and I know that Hillary and Barbara join me in this -- both Senator Daschle and Senator Byrd have been completely supportive of this, and we very much appreciate it. The amendment will come up tomorrow. We'll have a great debate, and hopefully we will be able to send the dollars to the localities.

One other point that Barbara mentioned, and I'd just like to underscore because it's so right; we make sure the money gets to the localities. All too often, federal programs go to the statehouse and the localities see dribs and drabs years down the road. But here, 80 percent of the money must be distributed to the states within a very short period of time.

Okay, I think we're -- I'm finished, so I guess we're ready for your questions.

SEN. MIKULSKI: We are.

Q Senator Clinton, I know that you've said in the past that you've been able to get 48 or 49 votes for your amendments related to homeland security. What hope do you have that this time you'll be able to go over the top in the Senate?

SEN. **CLINTON:** Well, we're working very hard to work with our Republican colleagues. The amendment that we have drafted does really provide for additional funding for all of the needs that we've been told by mayors and police chiefs and fire chiefs and others across our country that are so desperately needed. And that's not a Republican or a Democratic issue, that's a national security, homeland security, defense issue.

And I know that my colleagues are talking to their Republican colleagues on the other side, just as I am, and we're hoping to be able to put together a majority. Now, we know it's going to be a challenge. But if you look at the facts about what's needed, our amendment comes much closer than the chairman's mark in meeting these needs.

SEN. SCHUMER: And we have Republican governors who have spoken out and have said that this is a real need.

SEN. MIKULSKI: I think Senator Schumer points out an excellent point. State governments all over America are facing a real fiscal crisis.

In my own state of Maryland we have a billion point eight shortfall that we're trying to -- that Governor Ehrlich is trying to close the gap, working with the General Assembly. He needs all the help he can get, as do the local communities, because of the -- we're -- he's got a shortfall. The capital region is the high threat. And local governments are stretched to the limit as well. And one of the other points that also is happening is that people realize local governments have no place to go for their money except to state governments and to local property tax. They just don't have it. So if they're putting money into overtime and these things, this affects what they can do for libraries. This affects what they can do for schools. This affects what they can do for community and recreation projects. So this is really, I think, developing into a bipartisan initiative because they cannot cope with an unfunded federal mandate because of their own budget crises.

Q Senators Clinton and Schumer, Aaron Baker (sp), WROC in Rochester, New York. Two questions for you. How feasible is it that the Rochester-Monroe County area is not only served by the Rochester Fire Department, a paid department, but much of the county is served by volunteer departments who have a considerable amount of high tech industry in their areas. Wayne County has the Ginna nuclear power plant. A lot of the suburbs have Kodak and Xerox plants. How feasible is it for, say, Joe volunteer fireman to get a hold of some of this money that's going to need to be used to protect some of these areas?

SEN. **CLINTON:** Well, that's part of what the plan will do. Eighty percent of the money will go directly to the larger communities, because even our volunteer departments often rely on local paid departments in the event of some terrible problem. But the states will get 20 percent, and that 20 percent will be distributed to smaller communities, to the kind of needs that you're pointing out. And the states are also going to have to do an assessment of what our critical infrastructure is. And you've just named several of the kind of plants a facilities that will count in this critical infrastructure.

SEN. SCHUMER: You know, one other thing I would say, we don't -- none of us think that this is going to cover all the needs. There are many needs. New York City came in and estimated \$900 million is their need. And obviously not all of that will be covered here. But it's a big start. And if we can establish this precedent, which is so important, that our police and fire in the large cities and the smaller towns need some kinds of help, we can follow through on that.

I think that's really -- that is really the key here. Is everyone going to be covered by this, and is there going to be adequate money to cover all the needs? No. But we thought that this was a very significant, good first step, and that's how we came out with this number.

Q And my second question is, money that you're giving -- you said you give a bunch of it to the state first -- right? -- and then they filter it down? Is that correct?

SEN. **CLINTON:** Well, the formula will require that the money go directly to the local communities within 30 days of it being received.

SEN. SCHUMER: Eighty percent of it.

SEN. **CLINTON:** Right, 80 percent. And then 20 percent will stay with the state to deal with the kind of broad issues that you're discussing as well as others.

Q That 20 percent, I'm just a little concerned. New York State is facing an unprecedented, huge budget deficit. Are you worried -

SEN. MIKULSKI: As is Maryland.

Q -- some of this money is going to be used to pare off that deficit?

SEN. **CLINTON:** No. That -- this has to be used for homeland security. But you make a good point. I mean, one of the reasons why we wanted to write the law also that 80 percent of it had to get out within a month to local communities is to make darn sure it did.

Q Just to follow up on what Senator Schumer just said about establishing a precedent. This is Julie Davis with the Baltimore Sun. If you could all respond. A couple of Republicans -- Tom DeLay mentioned that he's wary of creating a new federal revenue-sharing idea here for homeland security. Senator Stevens voiced some concerns at the markup yesterday about having the federal government take what really should be some local first-responder responsibilities. How are you planning to counter those arguments that we're hearing from -- mostly from Republicans, but obviously it's being used to counter the effort to create a bipartisan consensus on this issue.

SEN. SCHUMER: Go ahead, Barbara.

SEN. MIKULSKI: Well, first of all, I think that Mr. DeLay is really out of line here. I think when we -- we have to support our first responders not only with words, but with deeds, and put money in the federal checkbook that they have the resource, the equipment and the training so we can protect the protectors as they protect us. And I'm very disturbed about that type of skimpy kind of conversation because it really nickels and dimes our first responders. Now, whenever there is a great tragedy, we all want to go to parades, they put Teddy bears at sites, we say a grateful nation never forgets.

Well, I don't know if Tom DeLay wants to forget that he promised that a grateful nation would never forget, whether it was the firefighters at the twin towers, whether it was the Pentagon. And by the way, my own state of Maryland, when the Pentagon was on fire, dashed across the Potomac in the doctrine of mutual aid to be there, and we were there night and day to really be able to help with the rescue mission there. And I think it's inappropriate to make those kinds of comments by Mr. DeLay; it nickels and dimes our first responders. And when we say a grateful nation never forgets, I think this is the real kinds of ways we show we mean what we say.

Q Senator Schumer and Clinton, it's Bob Hardt from the New York Post. What's your reaction to Senator Stevens' suggestion that the firefighters and police officers just donate their overtime, that they're a big reason why there's so much of a need for additional homeland security money right now?

SEN. SCHUMER: Well, the bottom line is that you talk -- many of our firefighters in New York are already holding down two jobs. Salary has been low, it hasn't gone up in a long time, the city's cupboard is bare, they're asking them actually to give back. And they can't support a family in a decent way on their present salary. So to say donate the overtime is really unfair. Most of these folks -- so many of them that I've met work at their fire job, work at another job, and then barely have enough time or energy to take care of their families. I don't think that's fair and that's right, and I'd just like to underscore what Senator Mikulski just said, which is that this is our responsibility. And we promised the firefighters, police officers and others, do the job. And you know, to the credit of, you know, our local officials in New York -- and I imagine this is true everywhere -- they're not slacking on security. They know security must come first. But you can't ask people to do that and -- without providing the resources. It's -- sooner or later, you pay the piper.

SEN. **CLINTON:** You know, Bob, our police and firefighters make sacrifices every single day. You know, they show up ready to answer the alarm without the right protective suits and masks they need in case of a chemical or biological attack. They sacrifice knowing that if tragedy strikes again, they still don't have the radios they need to communicate with each other. And they sacrifice knowing that, you know, their buddies may get lost because the city didn't pay for the continuation of the numbers that are needed because of the budget problems.

And you know, I think it's something we should be thanking our police and firefighters for. The sacrifices that they make, I think, are already more than sufficient. It's time, you know, for us to sacrifice for them. And just as we're doing our best to support our men and women in military uniforms, you know, we're doing our very best to support our men and women here at home.

And many of the firefighters who lost their lives on September 11th were not even on duty. They answered the call because they knew they were needed, you know. So I -- I -- and the other point I'd make is, look, when the president or Secretary Ridge raise -- raises the threat level, or when we send troops into Iraq which, you know, causes people to have to be more vigilant, those are not decisions made at the local level, you know, those are part of the decisions made by the administration believing that all of this is in our national interest. And how can we turn our backs on the frontline soldiers that we expect to defend us at these times?

SEN. SCHUMER: And, you know, the firefighters --

SEN. MIKULSKI: Well, you know, just think of --

SEN. SCHUMER: Go ahead, Barbara.

SEN. MIKULSKI: Just think, you know, when the shift changes, or when the third watch begins, a firefighter or a police officer is leaving their home and they kiss their wife good-bye and they say, "Don't worry, honey, I don't know if I'll -- I don't know what time I'll be home, and I don't even know if I'll be home at all. But don't worry, your federal government has asked me to donate my overtime."

Well, what a thing to say. What a thing to say to those families.

Now, you've given me a good idea, though. You see, I think now when the tax bill comes up, I might do a 1 percent homeland tax break -- tax -- tax, a new tax on corporate bonuses. And so let them donate to the homeland security.

SEN. **CLINTON**: Great idea, Barbara!

SEN. MIKULSKI: I might do it just in the -- that essentially everyone who gets a corporate bonus of over \$500,000 donates 1 percent into homeland security.

SEN. **CLINTON**: Yeah, what if we -- what if we asked all these people who are getting this huge tax cut to sacrifice for America at a time of war? You know, as far as I can tell, you know, nothing's being asked of them.

Q Senator Schumer, good afternoon. This Angel (sp) at WCBS Radio.

SEN. SCHUMER: Hi.

Q You touched on before how much New York City needs. Under this plan, what would the city get?

SEN. SCHUMER: Well, it's unclear exactly what the city would get. We know that the money in the general fund will be distributed on a per capita basis, and that will give us -- you know, depending on the overall amount that passes, but if our amendment passes, we'd get close to \$200 million on that. And then, of the high-need money, I think we'd get a significant percentage, so, clearly, in the hundreds of millions. Not as much as -- again, not as much as the mayor has laid out, but we'll come back and fight another day. But certainly a lot better than they were doing a couple of days ago.

Q Senator Mikulski, how much would Maryland get?

SEN. MIKULSKI: We estimate that under this amendment, Maryland would get 56 -- it would get \$56 million; it would get \$21 million more.

Q Are there provisions -- this is Eric Kelderman from the Gazette Newspapers in Montgomery County. Senator Mikulski, are there provisions in this amendment to decide how the money would be distributed from the states to the localities, or would they just --

SEN. MIKULSKI: It would be an 80 percent -- 80 percent of the money that would come to the state --

Q For instance, how much would go to -- how would they decide how much goes to Montgomery or Prince George's or St. Mary's or whatever?

SEN. SCHUMER: The per capita --

SEN. MIKULSKI: I would be based on population and risk.

SEN. SCHUMER: Correct.

STAFF: One more question.

Q This is Christine Hall from CNSNews.com. I'm wondering whether any of you have any reason to think that the administration would view your amendments as friendly, whether they're actively working against them, or just sort of not taking a stand on it?

SEN. SCHUMER: Well, thus far, the administration has really not supported our amendment. And in general, on homeland security and paying the dollars we need, they have not been supportive.

They have been supportive of high-needs areas, getting, you know, a fair proportion of the pool. But they've had the pool be so low that no area will really get what they need, high-need or otherwise.

We would welcome their support. Just as, you know, they want America to be behind them on the war overseas and just about every one of us has, we think we need them to be behind our firefighters and police officers in the war on terror here.

Q Can I ask one other quick question?

SEN. MIKULSKI: Excuse me. I'm going to have sign off to go to something. Senators Schumer, Clinton, thank you for including me. I'm proud to be part of this amendment, and you know, just look for our statements and our fights on the floor.

SEN. SCHUMER: Right.

SEN. **CLINTON**: Thanks, Senator

SEN. SCHUMER: You know, we're going to sign off, too. Thanks, everybody.

Q Could we just quickly clarify, on the localities, money, who decides what -- which localities are at the highest risk?

SEN. SCHUMER: The -- that would be decided by Secretary Ridge.

Q Okay. Thanks.

SEN. SCHUMER: Okay. That's for the risk. But the rest of it is --

Q So for population --

SEN. SCHUMER: -- is based on per capita, yeah.

Q Thanks.

SEN. SCHUMER: With a -- you know, first, there's a little set aside, so that every state gets something.

Okay?

Q Thanks, Senator.

SEN. SCHUMER: Thanks, everybody. Bye.

Q Thank you.

END

"Inside Politics," CNN, 6/4/2003

(BEGIN VIDEOTAPE)

SEN. HILLARY **CLINTON** (D), NEW YORK: This is the story about an extraordinary time in my life and the life of our country.

ANNOUNCER: It's one of the most anticipated books of the year, this hour, a sneak peek at Hillary Clinton's memoirs.

A major milestone on the Mideast road map.

GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES: The journey we're taking is difficult, but there is no other choice.

ANNOUNCER: But will President Bush's push for peace overseas hurt him politically back home?

Has the military victory in Iraq led to a defeat in world opinion? Global suspicion of America is growing. How low can the U.S. go?

(END VIDEOTAPE)

ANNOUNCER: Now, live from Washington: JUDY WOODRUFF'S INSIDE POLITICS.

JUDY WOODRUFF, CNN ANCHOR: At the height -- thank you for joining us.

At the height of the Clinton impeachment controversy and the scandal over Monica Lewinsky, one question that went unanswered was, what was then first lady **Hillary Rodham Clinton** thinking? Well, now, of course, she is an elected member of the United States Senate and she's decided to reveal at least some of her personal thoughts about that difficult time.

Here's CNN's Jonathan Karl.

(BEGIN VIDEOTAPE)

JONATHAN KARL, CNN CONGRESSIONAL CORRESPONDENT (voice-over): At the time, her body language seemed to tell the story, but, until now, she hasn't.

As the Clintons left for vacation in Martha's Vineyard in August 1998, after President Clinton admitted betraying his wife, their dog Buddy was the only member of the family willing to keep the president company. If the excerpts obtained by the Associated Press are any indication, she vividly recounts how, during the height of the Monica Lewinsky scandal, the president woke her up one morning in the White House to tell her the truth about his affair only 48 hours before testifying about it and telling the rest of the world.

"I could hardly breathe," she writes. "Gulping for air, I started crying and yelling at him, 'What do you mean? What are you saying? Why did you lie to me?' I was furious and getting more so by the second. He just stood there saying over and over again: 'I'm sorry. I'm so sorry. I was trying to protect you and Chelsea.'"

On vacation in Martha's Vineyard, she said she felt profound sadness and unresolved anger: "I could barely speak to Bill. And when I did, it was a tirade. I read. I walked on the beach. He slept downstairs. I slept upstairs."

(BEGIN VIDEO CLIP)

WILLIAM J. **CLINTON**, PRESIDENT OF THE UNITED STATES: I did not have sexual relations with that woman, Ms. Lewinsky.

(END VIDEO CLIP)

KARL: Months earlier, when he made his famous public denial, he was also lying to his wife in private. Mrs. Clinton believed him and, famously, went on national television, unwittingly repeating his lies and denouncing the reports about Lewinsky as the product of a vast right-wing conspiracy.

After learning the truth, she said she confronted one of the most difficult decisions of her life, whether to stay married to Bill Clinton. Remarkably, Hillary Clinton has been mum about this for five years, even avoiding the subject during an intense campaign for Senate in New York in the year 2000.

HOWARD WOLFSON, FORMER HILLARY **CLINTON** CAMPAIGN SPOKESMAN: She is a private person. I think people do know that about her. And this was something that she wrestled with while she was writing the book. But she decided that this was part of the public record, through no fault of her own, and that it had to be dealt with in the book.

KARL: The book won't be out until next week. Until then, she's not saying much about it.

H. **CLINTON**: I am a private person. And it was difficult to write the book. But I wanted to give a complete accounting of my eight years in the White House with my husband. And it was an extraordinary privilege to have that opportunity. And so I had to, I thought, write about the very many high points and good times, as well as the more difficult ones.

(END VIDEOTAPE)

"Specials and Breaking News," ABC, 6/8/2003

This is an ABC News special.

graphics: abc news special

BARBARA WALTERS, ABC NEWS

There is the big question. What people most want to know, and it's this, how could you stay in this marriage?

ANNOUNCER

Tonight, for the first time, Hillary Clinton opens the book of her life and talks about it all.

BARBARA WALTERS

You write, "I could hardly breathe. I started crying and yelling at him, 'Why did you lie to me?'" What did your husband say?

ANNOUNCER

And unprecedented journey from her childhood days where her values and dreams were shaped to the college and campus years when she was swept away by politics and passion.

SENATOR HILLARY **CLINTON**, DEMOCRAT, NEW YORK

I just couldn't take my eyes off of him. He looked like a Viking.

BARBARA WALTERS

Your mother-in-law was amazed that her son was going to marry you. She said he used to bring home beauty queens.

ANNOUNCER

Then, the White House scandals, one after another after another, threatening to destroy the presidency and their family.

SENATOR HILLARY **CLINTON**

I felt that the only people who had a right to judge and hold him accountable for his private behavior were Chelsea and me.

ANNOUNCER

And the question everyone is asking today, could there be another Clinton White House?

BARBARA WALTERS

Is this country ready to accept you, do you think, as a national candidate?

ANNOUNCER

Now, in her own words, Hillary Clinton's journey, public, private, personal, with Barbara Walters.

graphics: hillary clinton's journey: public, private, personal with barbara walters

BARBARA WALTERS

Good evening. You have been hearing everyone else talking about Hillary Clinton this week. Tonight, it's her turn. The First Lady, who remained publicly composed, even inscrutable through an endless series of White House scandals, is finally opening up. Her new autobiography, a memoir, titled "Living History" is already a publishing phenomenon. And almost unheard of one million copies printed for its release tomorrow. In great part, it is a wife's deeply personal account of being betrayed in front of the entire world.

BARBARA WALTERS

But over the next hour, 55-year-old Hillary Clinton answers many other questions people have been asking for a long time. How did she and her husband survive the countless investigations? How much was her fault? Do her ambitions now include the presidency? And the big question, why are they still together? I interviewed Mrs. Clinton in three pivotal places in her life. The Illinois neighborhood where she grew up, the house in Chappaqua, New York, which she and her husband call home, and, of course, Washington, DC.

video clip from campaign party

BARBARA WALTERS

(Voice Over) It was a sweet, shining moment, **Hillary Rodham Clinton**, First Lady of the United States, former First Lady of Arkansas, elected in her own right, as a US Senator from New York. But this election night celebration would also be a farewell to the limelight. Senatorial etiquette holds that new Senators keep a low profile, and the junior Senator from New York has been careful to do that. She's gotten high marks from colleagues for doing her homework and learning the ropes.

BARBARA WALTERS

(Off Camera) Tougher than being First Lady, being a Senator?

SENATOR HILLARY **CLINTON**

Different. Very different.

BARBARA WALTERS

(Off Camera) Different. Yeah.

BARBARA WALTERS

(Voice Over) I caught up with her at the capitol between votes.

BARBARA WALTERS

(Off Camera) You know, you have been working on so many bills with Republicans, many of whom wanted to impeach your husband, voted to impeach your husband, many of whom killed your health care bill. How do you turn old enemies into allies?

SENATOR HILLARY **CLINTON**

Well, we can disagree, and of course we do disagree. But I have found allies on all kinds of issues. I've even begun working with Tom Delay on adoption and foster care, an issue we both care deeply about.

BARBARA WALTERS

(Off Camera) Now, he was the leading voice in the capital to impeach your husband. I mean, no hard feelings? No remnants?

SENATOR HILLARY **CLINTON**

You know, I don't ...

BARBARA WALTERS

(Off Camera) Are you a saint? How do you get on with this?

SENATOR HILLARY **CLINTON**

No, no, but I'm a Senator. And my job is to represent New Yorkers. And I can't feel that there's anything personal about it.

BARBARA WALTERS

(Off Camera) 2004, the presidency. Suppose, okay. You can do the question. But suppose these Democrats, maybe the same ones who said you should run for the senate, say you must, for the sake of the party, run in 2004. Would you categorically say no?

SENATOR HILLARY **CLINTON**

I would tell them to take a deep breath, probably two aspirins and get a good night's sleep.

BARBARA WALTERS

(Off Camera) Would you say no?

SENATOR HILLARY **CLINTON**

Absolutely, I'd say no.

BARBARA WALTERS

(Off Camera) Okay. No to 2004. 2008? I know you're not going to tell me whether or not you'll throw your hat in the ring. Okay.

SENATOR HILLARY **CLINTON**

Of course.

BARBARA WALTERS

(Off Camera) But do you think that if you did, is this country ready to accept you, do you think, as a national candidate?

SENATOR HILLARY **CLINTON**

I don't have any intentions or plans of running. I'm flattered that the question gets asked. I ...

BARBARA WALTERS

(Off Camera) Everyday.

SENATOR HILLARY **CLINTON**

... and I hope that it will lead to a woman running for president. And we have a lot of good women.

BARBARA WALTERS

(Voice Over) She wouldn't rule it in or out. But Hillary Clinton's political history is one of evolution.

video clip of hillary clinton

BARBARA WALTERS

(Voice Over) For instance, she was virtually born a Republican. Her father, Hugu, was a rock-ribbed GOP supporter. And Hillary Rodham grew up in the solidly conservative suburb of Park Ridge. The future Democratic First Lady actively campaigned for Barry Goldwater in the 1964 election. Her mother, a closet Democrat, had all been abandoned by her own parents as a child. And Hillary Clinton's life long interest in children has its roots in her mother's painful experience.

SENATOR HILLARY **CLINTON**

It is a great place with lots of memories for me. This is where ...

BARBARA WALTERS

(Voice Over) We brought Senator Clinton back to Park Ridge several days ago, back to a town that actually hasn't changed as much as the rest of the world over the past 30 years. You wouldn't be surprised to meet Ozzie and Harriet on the next corner.

BARBARA WALTERS

(Off Camera) You write that there were, like, 47 kids to play with here. And everybody, the kids could ride their bicycles and walk down the streets and ...

SENATOR HILLARY **CLINTON**

That's right. It was such a safe, nurturing community to grow up in.

BARBARA WALTERS

(Off Camera) You used to come home everyday for lunch?

SENATOR HILLARY **CLINTON**

I did. Everything was within walking distance or bike riding distance. The school, the church, the park. Everything that was part of my life.

BARBARA WALTERS

(Off Camera) So, if I go back years ago and I open that front door, I would find a very happy little girl?

SENATOR HILLARY **CLINTON**

Well, you would.

BARBARA WALTERS

(Off Camera) I understand you had your first date in this movie theater?

SENATOR HILLARY **CLINTON**

This movie theater. And I hate to tell you, so many years ago, fourth grade ...

BARBARA WALTERS

(Voice Over) Every Saturday afternoon, it was the Pickwick Theater. And afterwards ...

SENATOR HILLARY **CLINTON**

Exactly. The best olive burger in America.

BARBARA WALTERS

(Voice Over) ... Hillary and her friends would head for one of the nearby restaurant, as she and I did the other afternoon.

BARBARA WALTERS

(Off Camera) You wanted to be president of the student body at one point.

SENATOR HILLARY **CLINTON**

In high school.

BARBARA WALTERS

(Off Camera) In high school.

SENATOR HILLARY **CLINTON**

Right.

BARBARA WALTERS

(Off Camera) And you lost.

SENATOR HILLARY **CLINTON**

I did.

BARBARA WALTERS

(Off Camera) And one of the students, one of the guys said, of course, you lost. A girl can't be president. Yet, whatever happened to that guy?

SENATOR HILLARY **CLINTON**

Well, actually, I've seen in years since. But that was a very common attitude. You know, when I was a little younger than that I thought I wanted to be an astronaut and I wrote off to NASA and they wrote back saying, you know, we're not talking girls. There, there were these differences.

BARBARA WALTERS

(Off Camera) You went east to college, to Wellesley in Massachusetts, an all- female college. And you were the first student ever to speak at a Wellesley commencement, and you are so fiery that "Life" magazine put your picture, at that time, as one of the country's most effective young commencement speakers. It was a big deal. What was your message?

SENATOR HILLARY **CLINTON**

My message really was that, you know, young people should be taken seriously. We deserve to be listened to. And that politics should become the art of making possible what seems impossible.

BARBARA WALTERS

(Off Camera) After you graduated from Wellesley, you went to Yale law school. You were one of only 27 women out of 235 students, and you were kind of a star because people knew a little bit about the Wellesley and the "Life" magazine and so forth. Yet, you say it was Bill Clinton who was hard to miss. Why was he hard to miss? What did he look like?

SENATOR HILLARY **CLINTON**

Well, he looked like a Viking. He had this big, bushy, brownish reddish beard and longish hair, and he looked very imposing. Here was this Rhodes Scholar from Arkansas who had a lot to say and knew exactly what he wanted to do with his life.

BARBARA WALTERS

(Off Camera) Were you attracted to him from the beginning?

SENATOR HILLARY **CLINTON**

Oh, from the very beginning.

BARBARA WALTERS

(Off Camera) Really?

SENATOR HILLARY **CLINTON**

Yeah, from the very beginning. In fact, there was a point at which I still hadn't really met him, and I was sitting in the library and he was standing just outside the door and he was looking at me and I was looking at him and I finally thought, this is ridiculous, 'cause every time I saw him on campus I just couldn't take my eyes off if him and he was always watching me. So, I put my books down, I walked out and I said, you know, if you're gonna keep looking at me and I'm gonna keep looking back, we should at least know each other. I'm Hillary Rodham. And he told me his name. He tells people that he couldn't remember his name. But it, it was an immediate attraction and it was just a, a life-changing experience to have met him.

BARBARA WALTERS

(Off Camera) From, from day one.

SENATOR HILLARY **CLINTON**

From day one. Yeah.

BARBARA WALTERS

(Off Camera) You write in the book that one of the things that first attracted you were his hands.

SENATOR HILLARY **CLINTON**

He has these beautiful hands. Very long fingers. And I've watched those hands age along with us over all these years, and I, I just kind of mark our relationship in watching those hands over decades now.

BARBARA WALTERS

(Off Camera) You were really besotted, weren't you?

SENATOR HILLARY **CLINTON**

It's an old-fashioned word that I plead guilty to. Yeah, besotted is a good word.

BARBARA WALTERS

(Off Camera) Again and again Bill Clinton asked you to marry him, and for more than two years you put him off?

SENATOR HILLARY **CLINTON**

I did.

BARBARA WALTERS

(Off Camera) Why?

SENATOR HILLARY **CLINTON**

I did. You know, he's like a force of nature. He is so overwhelming. And I knew I loved him, I knew I was in love with him. I knew that there wasn't anyone who made me happier, that I had more fun with, that I found more interesting. But, I also didn't want just to follow along in his wake.

BARBARA WALTERS

(Off Camera) Were you afraid, in effect, that he would sort of, that his largeness in every way would swallow you up?

SENATOR HILLARY **CLINTON**

I think there was some of that, because he is larger than life and I think people know that.

BARBARA WALTERS

(Off Camera) Your mother-in-law was amazed that her son was going to marry you. She said, "He used to bring home beauty queens." She said, please forgive me, "You wore no make up, you had big glasses." And she wrote, "I would grind my teeth and I would wish I could sit Hillary on the edge of my tub ...

SENATOR HILLARY **CLINTON**

That's right.

BARBARA WALTERS

(Off Camera) ... and give her some make-up lessons."

SENATOR HILLARY **CLINTON**

And that's exactly what she said. And, you know, she was an American original.

BARBARA WALTERS

(Off Camera) What did you look like that made her say that?

SENATOR HILLARY **CLINTON**

Well, I didn't wear any make-up, I cut my own hair, and I did wear my big old glasses. But she was a strong woman with a great heart. And she was surprised that Bill and I were in love, and that he kept asking me to marry him and I kept saying, "Wait a minute. I'm not sure," because of course she thought, who wouldn't immediately say yes to her son? And eventually, you know, I learned how to use make-up and I got my hair looking a little bit better so it all came around okay.

BARBARA WALTERS

(Off Camera) You were young. You were smart. You had a future in Washington. But you gave it up to be with Bill Clinton, to move to Arkansas where you had no friends, no family, no traditional roots there in any way. And one of your best friends said, why on earth would you throw away your future?

SENATOR HILLARY **CLINTON**

You know, I've had to at so many points in my life listen really hard to my own feelings. Sometimes my family and my friends have said, do this or do that, or don't do this. I just knew that I had to take that step. So, I followed my heart and I went to Arkansas.

ANNOUNCER

When we come back ...

BARBARA WALTERS

The woman named Gennifer Flowers claimed that she had a 12-year affair with her husband.
video clip of gennifer flowers press conference

BARBARA WALTERS

Your husband told you it wasn't true. Did you believe him?

ANNOUNCER

Hillary Clinton's Journey continues, next.

graphics: hillary clinton's journey: public, private, personal with barbara walters
commercial break

graphics: hillary clinton's journey: public, private, personal with barbara walters

BARBARA WALTERS

In 1978, Bill Clinton was first elected governor of Arkansas. And as his wife, **Hillary Rodham Clinton**, found herself in unfamiliar territory. She was no Southern Belle, but she tried her best to fit in. She eventually swapped her big horn-rimmed glasses for contact lenses. And it was in Little Rock that the stage would be set for the Clinton's political future in Washington, and for the scandals that would plague them throughout their White House years. We talked about Arkansas at the Clinton's new white house where they live today.

BARBARA WALTERS

(Voice Over) Home base for Bill and Hillary Clinton these days is a beautifully renovated farm house in Chappaqua, 50 minutes north of Manhattan. They have a smaller house in Washington where the Senator spends half of her time. But this is what they call home.

SENATOR HILLARY **CLINTON**

We really try to be together as much as possible. And this is where, you know, we've really feel like we've made our family home.

BARBARA WALTERS

(Off Camera) Does the President come to Washington, too?

SENATOR HILLARY **CLINTON**

He does.

BARBARA WALTERS

(Off Camera) I have to ask you a current events question. Your husband recently said that he thought, especially if a president was young, that he should be able to run again in his lifetime. Right now you can run for eight years and then that's it.

SENATOR HILLARY **CLINTON**

Mm hmm.

BARBARA WALTERS

(Off Camera) So, do you think that maybe the law should be changed so that Bill Clinton could run again?

SENATOR HILLARY **CLINTON**

You really have to ask him what he thinks about that. I, I'm a supporter of two terms, to make sure we don't have anyone who gets too powerful.

BARBARA WALTERS

(Off Camera) One more question, when we talk about -homes, so forth, how's Chelsea? Where's she living?

SENATOR HILLARY **CLINTON**

She's finishing up her studies in England. And she'll be back in New York in the fall, which is great news. And she's kinda making her own way in the world now.

BARBARA WALTERS

(Off Camera) And now she'll be closer to mommy.

SENATOR HILLARY **CLINTON**

That's good, don't you think? I'm all for that. I think any mommy is all for that.

BARBARA WALTERS

(Off Camera) Well, let's go into this beautiful home.

SENATOR HILLARY **CLINTON**

Thank you. We're glad to have you here.

BARBARA WALTERS

(Voice Over) When we arrived in the Clinton's family room, the Senator and I picked up the conversation where we left off in Park Ridge. We talked about her time in Little Rock.

BARBARA WALTERS

(Off Camera) Well, let's go back to Arkansas. As the wife of the governor of Arkansas, you were a progressive and modern woman in a traditional society. Did you have trouble fitting in?

SENATOR HILLARY **CLINTON**

Well, it was an adjustment for me, but I loved Arkansas. And the people of Arkansas were not only very good to me, but I made some of the best friends that I've ever made.

BARBARA WALTERS

(Voice Over) You write about your early years as the wife of the governor, and you talk about the oddity of my dress, my northern ways and the use of my maiden name.

SENATOR HILLARY **CLINTON**

Right.

BARBARA WALTERS

(Off Camera) And those three things ...

SENATOR HILLARY **CLINTON**

Right.

BARBARA WALTERS

(Off Camera) ... made it a little difficult.

SENATOR HILLARY **CLINTON**

Well, you know, I didn't have an accent, a southern accent, anyway. And you know, I had worn blue jeans and work shirts and, and big old sweaters all during law school, so I did have some adjusting to do.

BARBARA WALTERS

(Off Camera) While your husband was governor you write that you were essentially the bread winner in the family.

SENATOR HILLARY **CLINTON**

Right.

BARBARA WALTERS

(Off Camera) You made investments in the commodities market, you dealt in real estate, White Water, you worked for the Rose law firm, all of which at the time you thought were very innocent, all of these things came back to haunt you. Was there anything you could've done differently?

SENATOR HILLARY **CLINTON**

Well, Barbara, of course all of those things were made into political issues. And after all of the years of investigation, and all of the looking under rocks and all that was done, of course there wasn't anything wrong. I think I could've certainly explained myself better and maybe been more aware of the appearance. I'm sure in hindsight I could have done a better job explaining myself.

BARBARA WALTERS

(Off Camera) Senator, I have to ask you about some of the things you write about, and they're difficult questions to ask and probably difficult to answer. When Governor Clinton decided to run for president, a woman named Gennifer Flowers claimed that she had a 12-year affair with your husband.

video clip from jennifer flower press conference

BARBARA WALTERS

(Off Camera) Your husband told you it wasn't true. Did you believe him?

SENATOR HILLARY **CLINTON**

I did.

BARBARA WALTERS

(Off Camera) Years later, under oath in a deposition in the lawsuit, your husband did admit that he did have a sexual encounter with Gennifer Flowers. How did you reconcile that with what he told you all the years earlier?

SENATOR HILLARY **CLINTON**

Well, you know, Barbara, we've been through a lot together now, over many years. And as I also write in the book, we have spent some time having marriage counseling, which I highly recommend to people, especially people who led such busy lives as we did over so many years together. And I think I'll leave it at that.

BARBARA WALTERS

(Voice Over) The Gennifer Flowers stories made headlines and almost derailed your husband's campaign. There were the, the accusations that he was a womanizer. You had to deal with that. How'd you deal with it?

SENATOR HILLARY **CLINTON**

Well, you know, those are private issues that you have to deal with. But what I admired about that campaign was the way the American public really got it right. You know, they wanted to make a decision about who they thought would be best for them and their families. And that's what they did.

BARBARA WALTERS

(Off Camera) In spite of some of the problems in the campaign, your husband defeated George Bush and became president.

BARBARA WALTERS

(Voice Over) And in addition to being First Lady, you're a mother.

SENATOR HILLARY **CLINTON**

That's right.

BARBARA WALTERS

(Voice Over) And one of the people whom you went to for advice was a former First Lady, Jacqueline Onassis, and that was very meaningful to you. What, what did she teach you. What did she tell you?

SENATOR HILLARY **CLINTON**

Yeah. Oh, Barbara. You know, she was so warm and kind to me. We talked about raising children in the public spotlight because she had done it with such grace and success. She stressed how you could never let your child become kind of an object of all this public interest, because it would ruin them. You had to keep making sure they didn't feel entitled or indulged. And I took those lessons to heart.

BARBARA WALTERS

(Off Camera) You also asked Mr. Onassis about your appearance. You said, "Should I change -should I change my look?" That was the headband days.

SENATOR HILLARY **CLINTON**

Well, yes, that was the headband days. And here I am, you know, hardly an icon of fashion, asking one of the 20th century icons. And I really appreciated her response. She said, oh, be yourself. You know, just do what you feel right about. It, it was a funny conversation. You know, tell me, Jackie, what do you think? Oh, just go be yourself. And it was good advice.

ANNOUNCER

When we return, the decision that backfired, big time.

SENATOR HILLARY **CLINTON**

Then, Governor Mario Cuomo said to me, boy, what did do you to make your husband so mad at you? And I said, what are you talking about?

ANNOUNCER

When Hillary Clinton's Journey continues, next.

graphics: hillary clinton's journey: public, private, personal with barbara walters
commercial break

graphics: hillary clinton's journey: public, private, personal with barbara walters

BARBARA WALTERS

Hillary Clinton was never simply Bill Clinton's wife. She was always a woman with her own accomplishments and ambitions. And in the world of politics played at the highest level, that would both set her apart and set her up for constant scrutiny and attacks. She had to cope with the health care fiasco, the suicide of Vince Foster, and the emergence of a woman named Paula Jones.

BARBARA WALTERS

(Off Camera) You became First Lady like no other First Lady before you. You had your own interests. You got involved in public policy. No First Lady had done that without being severely criticized. Did you realize what you were getting into?

SENATOR HILLARY **CLINTON**

Oh, my goodness. What I got myself into I never could have predicted. You know, I tell a story in the book about how then- Governor Mario Cuomo said to me, boy, what did you do to make your husband so mad at you? And I said, what are you talking about? He said, you'd have to be really mad at somebody to put them in charge of health care.

video clip of congressional hearing

BARBARA WALTERS

(Voice Over) But Bill Clinton did put his wife in charge of a task force on national health care reform, and the group labored for two years amid controversy and criticism. But with it all, their proposals failed to attract support in Congress.

BARBARA WALTERS

(Off Camera) After the health care bill was defeated, the Democratic party lost control of both the House and the Senate in the midterm elections. Did you blame yourself? And did your husband ever blame you?

SENATOR HILLARY **CLINTON**

Oh, my husband never did. But there's no doubt that the disappointment people felt over our failure on health care certainly kept a lot of Democrats at home, and kind of inspired a lot of opposition on the other side. I believe that I probably in some way helped to contribute to those losses. It made me feel terrible.

BARBARA WALTERS

(Voice Over) One of the most tragic events during your husband's first term was the suicide of Deputy White House Counsel, and your close friend, Vince Foster.

BARBARA WALTERS

(Off Camera) And there were the investigations into the cause of his death. The more vitriolic newspapers almost went so far as to, to say that it was murder.

SENATOR HILLARY **CLINTON**

That's right.

BARBARA WALTERS

(Off Camera) And all the investigations later determined it was a suicide. But it was a terrible time.

SENATOR HILLARY **CLINTON**

Well, you know, Barbara, that whole year was one of incredible highs and terrible lows. You know, you go from seeing your husband sworn as, as President of the United States on January 20th, and a few months later on, by my father's bedside in an intensive care unit watching him die. A few months after that our good friend, someone we cherished, kills

himself. And then, before the year is out, Bill's mother dies. It's hard no matter what color the house you live in. But when you're in the White House, and your husband as a 24-hour a day job, and you have public responsibilities and duties, I, I think it's probably even harder to keep going.

SENATOR HILLARY **CLINTON**

So, when I think even about that it, it just makes my stomach knot up. And you know, certainly, both Bill and I and all of Vince's friends have asked ourselves a million times since then, what could we have done? Is there some word we could have said, some action we could have taken that might -possibly have prevented this terrible tragedy?

BARBARA WALTERS

(Off Camera) In the middle of all this, in the middle of your husband's first term, a woman named Paula Jones accused the president of making unwarranted advances to her years before, and she filed a civil suit against him for \$700,000 in damages. Did you, for a moment, believe her?

SENATOR HILLARY **CLINTON**

No. No. And, you know, when the judge threw out her case and said it was without factual or legal merit, I think that about summed it up. But I'm not saying it's easy, those were difficult days, but it was what I had to do.

BARBARA WALTERS

(Off Camera) I can barely remember a week that went by when one of you wasn't being criticized and investigated. There was Travelgate, there was White Water, there was the handling of Vince Foster's death, there was the health care bill, there was everything.

BARBARA WALTERS

(Voice Over) And I remember, we did an interview in the middle of all of that and I said to you ...

SENATOR HILLARY **CLINTON**

On a very cold January day.

BARBARA WALTERS

(Voice Over) On a very cold, snowy ...

SENATOR HILLARY **CLINTON**

That's right.

BARBARA WALTERS

(Voice Over) ... January day.

SENATOR HILLARY **CLINTON**

Mm hmm.

BARBARA WALTERS

(Off Camera) And I said to you then, how did you get in this mess where your whole credibility is being questioned?

SENATOR HILLARY **CLINTON**

Oh, I ask myself that everyday, Barbara, because it's very surprising and confusing to me.

SENATOR HILLARY **CLINTON**

No, in retrospect, everything that was thrown at me, everything that was said turned out to be without basis in fact. But that didn't help at the time, because we had this out of control, zealous prosecutor who was on a partisan campaign to undermine Bill and me and everyone else. And what I regretted the most was the way so many innocent people were caught up in this. You know, when Bill ran for president, in effect, he put himself into that position, and I gladly went along, because I believed he would be a good president for our country. But so many other people who were totally innocent and just standing by were caught up in this, in this relentless series of investigations. And that, to me, is still a very painful part of that whole experience.

BARBARA WALTERS

(Off Camera) Looking back, we've talked about so many of the difficult things, if I asked to you pick the major accomplishment of those first four years, what comes into your mind?

SENATOR HILLARY **CLINTON**

Turning the economy around. It breaks my heart that in two and a half years we've gone back into huge deficits and debt and jobs are down and people are falling back into poverty. I just find that heartbreaking. But, those first four years were tough but very good for the country.

BARBARA WALTERS

(Voice Over) The Clintons got out of country more than any first family before them. Together or separately, or with Chelsea, they visited 78 countries during Bill Clinton's presidency. Hillary Clinton made a milestone trip to Beijing where she spoke passionately of women's right in a country where they were extremely limited.

FIRST LADY **HILLARY RODHAM CLINTON,**

UNITED STATES

It is a violation of human rights when babies are denied food or drowned or suffocated to their spines broken, simply because they are born girls.

SENATOR HILLARY **CLINTON**

I think that it did make a difference. Part of what I had to learn, and this may sound, again, a little naive and I, I plead to that, is that the First Lady of the United States is judged, assessed, held accountable, not simply or even primarily by what she does, because, of course, it's a role, it's not a job. And it is a, a role that comes with whom you are married to, not what you, yourself, do. And so, therefore, she is judged as much as a symbol as a person.

ANNOUNCER

Sex, lies, and the aftermath of Monica. Hillary Clinton's rage and pain.

BARBARA WALTERS

There is that picture that we all remember of you and the president and Chelsea and the dog, Buddy.

SENATOR HILLARY **CLINTON**

Buddy was the only member of our family who wanted to be with Bill. I think that's fair to say.

ANNOUNCER

"Hillary Clinton's Journey, Public, Private, Personal, with Barbara Walters" continues after this from ABC stations.

graphics: hillary clinton's journey: public, private, personal with barbara walters

commercial break

graphics: hillary clinton's journey: public, private, personal with barbara walters

ANNOUNCER

"Hillary Clinton's Journey, Public, Private, Personal," returns. Once again, Barbara Walters.

BARBARA WALTERS

No doubt, the first thing many readers will do when they get Hillary Clinton's new autobiography is turn to the index and look up one name, Monica Lewinsky.

BARBARA WALTERS

(Off Camera) Senator, I have to go back now to perhaps the most difficult time of your life, and it is something that you write about very frankly. Wednesday, January 21st, 1998. You write that your husband woke you up, sat on the edge of the bed and gave you some troubling news. What did he tell you?

SENATOR HILLARY **CLINTON**

Well, he told me there was going to be a newspaper article that alleged that he had some kind of a relationship with a young woman. And he said he was very upset about the article, and he wanted me to know before I got up and read it in the paper myself. And he told me it wasn't true.

BARBARA WALTERS

(Off Camera) Did you believe him?

SENATOR HILLARY **CLINTON**

I did believe him. You know, by that time, Barbara, so many accusations had been made about me that were just extraordinary, outrageous accusations. And I knew they weren't true. And I knew that for whatever reason people felt obligated or compelled to make them. And so, it didn't seem unusual to me that something like this would be said.

BARBARA WALTERS

(Off Camera) One more false rumor?

SENATOR HILLARY **CLINTON**

That is what I believed, yes.

video clip of monica lewinsky

BARBARA WALTERS

(Off Camera) For seven months before your husband admitted to you what he had done, there were reports and mounting evidence of a relationship. Late night phone calls and logged visits and gifts. Did you just dismiss all of it?

SENATOR HILLARY **CLINTON**

I really didn't think it added up to a lot. You know, I really looked at it from the perspective of, oh, my gosh. You know, one more hurdle to get over, one more problem to deal with. And one of the ways that I kept going all those years in the White House was to, you know, do what I could to try to figure out what was happening, to cross examine my husband to feel like I knew ...

BARBARA WALTERS

(Off Camera) Which you did. You asked him ...

SENATOR HILLARY **CLINTON**

Which I did.

BARBARA WALTERS

(Off Camera) ... again and again?

SENATOR HILLARY **CLINTON**

Absolutely. But then to go on, because, you know, given the atmosphere we had lived in since really 1992, there was so much that literally could have knocked us off kilter. And certainly, I could have found myself just constantly reacting to what was said.

BARBARA WALTERS

(Off Camera) Then on Saturday, August 15th, just as he had done before, your husband woke you up. This time he had something different to say.

SENATOR HILLARY **CLINTON**

That was probably the worst moment that I can even imagine anyone going through, because what he told me that morning was that he had not leveled with me or anyone else. He had not told me the whole truth about what the relationship was. And I was, I was furious. I was dumbfounded. I was, you know, just beside myself with anger and disappointment. You know, I couldn't imagine how he could have done that to me or to anyone else. And that's what I basically told him on that long-ago morning now.

BARBARA WALTERS

(Off Camera) You write, "I could hardly breathe. I started crying and yelling at him, 'What are you saying? Why did you lie to me?'" What did your husband say? How did he explain it?

SENATOR HILLARY **CLINTON**

He just kept saying that he was very sorry, over and over again. And I could tell that he was. But that wasn't much comfort. I was still furious, and stayed furious for quite some time. But he just kept saying over and over again, you know, I'm sorry. I'm sorry. I'm sorry.

BARBARA WALTERS

(Off Camera) Terrible time.

BARBARA WALTERS

(Voice Over) You told your husband he had to tell Chelsea.

SENATOR HILLARY **CLINTON**

I did.

BARBARA WALTERS

(Off Camera) What did you say to Chelsea?

SENATOR HILLARY **CLINTON**

Well, I'm going to continue my policy of not talking about conversations with my daughter. But it was a terrible time for all of us, as a family.

BARBARA WALTERS

(Voice Over) There is that picture that we all remember of you and the president and Chelsea and the dog, Buddy ...

SENATOR HILLARY **CLINTON**

Right.

BARBARA WALTERS

(Voice Over) ... walking into the helicopter when you were about to go off on a vacation in Martha's Vineyard, which I'm sure you had no desire to do.

SENATOR HILLARY **CLINTON**

That's very true. That's very true.

BARBARA WALTERS

(Off Camera) And you write that Buddy had a special role.

SENATOR HILLARY **CLINTON**

Buddy was the only member of our family who wanted to be with Bill. I think that's fair to say. Imagine going through what is a very personal, private, painful time in front of the world. And you owe obligations to your country that you have to keep fulfilling. People who don't wish America well are looking at this closely. And the president has to continue being president. You have to carry on. And so, you become almost divided because personally, it was excruciatingly difficult. Publicly, we had to carry on.

BARBARA WALTERS

(Off Camera) Then, here you are in Martha's Vineyard in a borrowed house, now, the four of you ...

SENATOR HILLARY **CLINTON**

Buddy ...

BARBARA WALTERS

(Off Camera) ... you, the president, Buddy, yes, and Chelsea. What was that like?

SENATOR HILLARY **CLINTON**

It was lonely. Very, very difficult. I wasn't talking to my husband. I didn't have anything to say to him. I was so disappointed and angry.

BARBARA WALTERS

(Off Camera) Did you consider separation or divorce?

SENATOR HILLARY **CLINTON**

It certainly crossed my mind. You know, I wasn't in a position where I've read about some people who, you know, threw their husband's clothes out the window on their lawn. I couldn't do anything like that, although, you know, I, I could have wrung his neck for a million reasons. I thought about everything. And that's all I spent my time doing, thinking hard. There were many people who were very kind to me during that period. And I mentioned some of them in the book, some good old friends but some unexpected people like Walter Cronkite and his wife who called me up and said, we're gonna take you sailing.

SENATOR HILLARY **CLINTON**

I was in no mood to go sailing. He insisted, you've got to come sailing. We want you to come sailing with us. It was such a kind gesture. Getting through those days was very hard. They were long, long days. But the time away helped me enormously.

BARBARA WALTERS

(Voice Over) I don't think people realize how strong your faith is. It goes all through the book. It must have helped you then.

SENATOR HILLARY **CLINTON**

It was the primary source of help to me. I was raised with faith, and that's a great gift to give a child, and I have relied on it. I've relied on prayer. I had to reach deep down into my own faith and ask myself, you know, what is it that I thought was right to do? And there were many people who were giving me all kinds of conflicting advice, and I appreciated their interest and their support, but ultimately I had to get on my knees and I had to pray and I had to look for answers that only could come to me. You have to decide to do what you think is right, because your friends won't be there at 3:00 in the morning.

BARBARA WALTERS

(Off Camera) Were you ever able to explain to yourself why your husband did it?

SENATOR HILLARY **CLINTON**

Well, I think I learned a lot, especially during the counseling that we had. The counseling, you know, led me to believe that this was a marriage and a love that I wanted to try to preserve, if it could be. And I was willing to try.

BARBARA WALTERS

(Off Camera) At one point you describe what your husband had done as a sin of weakness.

SENATOR HILLARY **CLINTON**

It clearly was. You know, a friend who's something of a theologian said to me during this period, that there were two kinds of sins, sins of weakness and sins of malice. And I think that, you know, my husband has so many strengths and is such a fundamentally good person with a good heart, it was a question for me whether this particular wrongdoing, or sin, was something that we could work through together.

ANNOUNCER

When we return, the lingering question of trust.

BARBARA WALTERS

Okay. I have to ask it. What if he does something in the future that is similar?

graphics: hillary clinton's journey: public, private, personal with barbara walters

commercial break

graphics: hillary clinton's journey: public, private personal with barbara walters

BARBARA WALTERS

Would she or wouldn't she? That was the question almost everyone was debating as the Monica affair played out before the world. Would Hillary Clinton stay with the man who had betrayed and humiliated her? We know the decision she finally came to, but how did she get there? How did she hold her head up and defend President Clinton in what was surely the most difficult days of her life?

video clip from president clinton's impeachment hearing

BARBARA WALTERS

(Voice Over) Then came the impeachment hearings and the Senate trial.

BARBARA WALTERS

(Off Camera) And you argued in front of Congress, as a matter of fact, that you could divide your feelings about your husband and your feelings about Bill Clinton as president. You said that your husband's actions were deplorable, but they were not impeachable. Is that how you got through all of that horror of the impeachment and the trial and the Starr report and everything else?

SENATOR HILLARY **CLINTON**

I was -caught in a circumstance where this was my husband and I felt that the only people who had a right to judge and hold him accountable for his private behavior were Chelsea and me. Those were the people that he had most betrayed. But he was also my president, and I thought, had done a great job as president despite a constant barrage of efforts to personally destroy him and undermine him. And therefore, I had this unusual experience and this rather unique perspective. So, while I was still somewhat unsure about my marriage and its future, the jury was really out about whether the marriage would survive, whether I wanted it to survive. I was absolutely committed to fighting this terrible misuse of the Constitution and abuse of our legal system, because I thought it was terrible for our country.

BARBARA WALTERS

(Off Camera) If I asked you straight out, was there and is there a right wing conspiracy to destroy your husband's presidency, would you today say yes?

SENATOR HILLARY **CLINTON**

I would say that there is a very well-financed, right wing network of people, it's not really a conspiracy because it's pretty much out in the light of day, that was after his presidency from the very beginning. Really stopped at nothing, even to the point of perverting the Constitution in order to undermine what he was trying to do for the country.

BARBARA WALTERS

(Voice Over) In the midst of all this, Hillary Clinton was approached by Democrats to run for a New York Senate seat about to be vacated by Daniel Patrick Moynihan.

video clip of hillary clinton campaign party

BARBARA WALTERS

(Voice Over) Her friends advised her against it. And when you see her on the stump today it's hard to remember how difficult a decision it was. She wasn't even from New York. In November 7th, 2000, she was elected the state's junior Senator. At her side, one of her biggest supporters, Bill Clinton.

BARBARA WALTERS

(Off Camera) You write that when you ran for the Senate, you became closer to your husband, 'cause you were talking about something else besides your own personal problems. But was there a day, was there a time, when you said, I forgive him? This marriage will go on.

SENATOR HILLARY **CLINTON**

Yes. Yes. It took a long time, but I reached the point where I decided that I was either going to have to forgive and let go of the anger and the disappointment that I had felt or we weren't gonna have a marriage. And both of us worked very, very hard to reach that point.

BARBARA WALTERS

(Off Camera) What did your husband say when you told him it's okay. We're going to go on?

SENATOR HILLARY **CLINTON**

He was very relieved and grateful, because that's what he'd been asking for. And it was something that we, you know, had to work toward. I didn't just wake up one day and decide. It took quite some time.

video clip of bill and hillary clinton

BARBARA WALTERS

(Voice Over) Do you trust your husband totally today?

SENATOR HILLARY **CLINTON**

You know, we've really been tried and tested. And we are at the point now that we're looking forward. I hope that we'll grow old together. That's how I look at our future.

BARBARA WALTERS

(Off Camera) Okay. I have to ask it. What if he does something in the future that is similar?

SENATOR HILLARY **CLINTON**

You know, that will be between us. And that will be that zone of privacy that I believe in. But right now, I'm very, very hopeful and very committed to our marriage and our relationship.

BARBARA WALTERS

(Off Camera) There is the big question, what people most want to know and it's this, how could you stay in this marriage? There is something in your book on page 75 that I thought answered the question, and I have underlined it. Would you read it?

SENATOR HILLARY **CLINTON**

Sure.

BARBARA WALTERS

(Off Camera) If you memorized it it would be fine.

SENATOR HILLARY **CLINTON**

I, I think, I have not memorized the book.

BARBARA WALTERS

(Off Camera) I know you haven't seen this. But ...

SENATOR HILLARY **CLINTON**

I'll have, oh. Oh, right. "I'm often asked why Bill and I have stayed together. All I know is that no one understands me better and no one can make me laugh the way Bill does. Even after all these years, he is still the most interesting, energizing and fully alive person I have ever met. Bill Clinton and I started a conversation in the spring of 1971, and more than 30 years later we're still talking."

BARBARA WALTERS

(Off Camera) Thank you, Senator.

SENATOR HILLARY **CLINTON**

Thank you.

graphics: hillary clinton's journey: public, private, personal with barbara walters

ANNOUNCER

In a moment, some final thoughts.

commercial break

BARBARA WALTERS

(Off Camera) Hillary Clinton's memoir ends with her last day in the White House. But I dare say, as her journey continues, she'll have plenty of material for a second autobiography. It's not beyond the realm of possibility that she would become not only the first First Lady to be elected Senator, but also the first First Lady to become president. And that raises an

intriguing prospect. Bill Clinton as the first president to become a first man or first spouse or whatever? So much has happened to this couple, that it seems anything could happen. Stay tuned. I'm Barbara Walters. For all of us at ABC News, good night.

graphics: closing credits

"This Week with George Stephanopoulos," ABC, 6/8/2003

BARBARA WALTERS

(Off Camera) 2004, the Presidency. Suppose, okay, you can do the question. But suppose these Democrats, maybe the same ones who said you should run for the Senate, say you must, for the sake of the party, run in 2004. Would you categorically say no?

SENATOR **HILLARY RODHAM CLINTON,**

DEMOCRAT, NEW YORK

I would tell them to take a deep breath, probably two aspirins and get a good night's sleep.

BARBARA WALTERS

(Off Camera) Would you say no?

SENATOR **HILLARY RODHAM CLINTON**

Absolutely, I'd say no.

GEORGE STEPHANOPOULOS

(Off Camera) What about 2008?

BARBARA WALTERS

(Off Camera) Well, she doesn't tell them to take two aspirins for 2008. She says she has no intentions or plans of running, but there are many good women and she hopes they will look at a woman. So 2004, no, 2008?

GEORGE STEPHANOPOULOS

(Off Camera) Maybe?

BARBARA WALTERS

(Off Camera) At least this book clears up a lot of things, George, that she won't have to face in a campaign.

GEORGE STEPHANOPOULOS

(Off Camera) We all can't wait to see what she does clear up. But meanwhile, she's serving in, in the Senate. And she has to serve with a lot of people who led the fight to impeach her husband.

BARBARA WALTERS

(Off Camera) Absolutely. She's even got a bill for foster care with Tom Delay, whom you know is one of the, one of the major forces in the impeachment of her husband. So I asked her about that and I said, you know, how do you turn enemies into, into allies? And I said, are you a saint, because she was saying, well, no hard feelings, everything is going fine. I'm going to quote what he says. She says "No, but I'm a Senator and my job is to represent New York and I can't feel that there's anything personal about it." So I think that she has now, whatever her feelings are for the future, she's making friends on both sides. Up until now, with the spotlight on her this week, with everything, because she's a junior Senator, she's kept a very low profile. She has not, you know, hogged anything. You would not know that she was not just another Senator, except that, by the way, she constantly has secret servicemen with her.

GEORGE STEPHANOPOULOS

(Off Camera) And what do we learn about her famous claim she was being pursued by a right wing conspiracy?

BARBARA WALTERS

(Off Camera) Well, look, I mean, there's no question that they did things that, that led to investigations. If they'd settled originally with Paula Jones and the President wanted to settle with Paula Jones when she wanted \$700,000 and Hillary, Senator Clinton, then Mrs. Clinton said no, no, no. If they'd settled there probably never would have been an investigation. Nevertheless, she says that there was and probably still is a right wing, not conspiracy, because she says it's out in the open, but that, that kind of attitude and intention exists. We asked her about that, George.

BARBARA WALTERS

(Off Camera) If I asked you straight out, was there and is there a right wing conspiracy to destroy your husband's Presidency, would you today say yes?

SENATOR **HILLARY RODHAM CLINTON**

I would say that there is a very well financed right wing network of people that was after his Presidency from the very beginning. Really stopped at nothing, even to the point of perverting the Constitution in order to undermine what he was trying to do for the country.

GEORGE STEPHANOPOULOS

(Off Camera) No backing down there, Barbara.

BARBARA WALTERS

(Off Camera) Yeah. And she thinks that the impeachment was the subversion, the subversion of the Constitution.

GEORGE STEPHANOPOULOS

(Off Camera) Okay, Barbara, we're gonna be watching tonight. It's going to be, let me say one more time, on ABC tonight at 7:00 Eastern time, 6:00 Central, 10:00 on the West Coast. Thank you very much.

"Larry King Live," CNN, 6/10/2003

LARRY KING, HOST: Tonight, Senator **Hillary Rodham Clinton**, her first live TV interview about her new tell-all book, the woman everybody's talk about. We'll talk as much as we can in depth and personal next on LARRY KING LIVE.

Good evening -- I think. And welcome to LARRY KING LIVE. I don't see myself, I assume we're on.

Senator **Hillary Rodham Clinton**, or should I say "Harry Potter," is our guest. Tow hundred thousand copies, according to Simon and Shuster, sold yesterday of her book "Living History." What do you make of that?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well I'm very gratified.

KING: Surprised?

CLINTON: Well, surprised because I guess it sent some kind of record. But yesterday when I did the book signing in New York City, I had such a good time. About 1,000 people were able to come through before I had to leave. And you know they were so encouraging and telling me how glad they were that I had done this book and giving me advice about, get back to health care, Senator. It was really wonderful experience.

KING: Why did you do this?

CLINTON: Well you know every first lady -- and you know this so well, because I think you've interviewed everyone, I don't know how far back -- but many of my predecessors -- and I always enjoyed their books. I thought they gave us insight and information about what the experience was like in the White House.

So long before Bill's term ended, I began thinking about trying to do the same. And I'm really glad I did, because although it was difficult in many respects, it gave me a chance to talk about the full range of the extraordinary time I had.

KING: Was it cathartic?

CLINTON: You know I've gone through it now and I think I can pretty much say I've closed the chapter having tried to describe as best I could what those years were like for me.

KING: Has it been hard to talk about the Lewinsky thing and the things you had to deal with?

CLINTON: Yes.

KING: Hard?

CLINTON: Yes, it was hard. I mean you know that. It was hard because these were very personal, private, painful matters that unfortunately were made public and I regret that.

But given the fact that they were, they became part of history, not just my personal history. So when I had to sit down and write the book and think about what would go in, I felt obligated to address these issues.

KING: You do think, though, that once it came out it was a journalistic story?

CLINTON: Yes, yes.

KING: If you were an editor of the paper would you have followed the trail?

CLINTON: It was. I just regret that it was made public for very partisan, political reasons that I don't think were good for the country. And the American people figured that out and

they really stood by the president as opposed to those who would have ended his presidency.

KING: But what about the author, what about Hillary? She has to stand by and yet be hurt.

CLINTON: You summed it up very well.

KING: Supporting your president and you're pretty mad at your husband.

CLINTON: That about sums it up.

KING: Was that conflicted feelings?

CLINTON: It was having to carry these two competing feelings in my head and heart at the same time. I was, as I say in the book, ready to wring his neck. I was so upset and angry with him, very disappointed.

And yet at the same time, he was my president. And I had this additional, rather unique perspective. I had been on the impeachment staff in back 1974 and I had actually researched the historical and legal grounds for impeachment. And I knew that what was being attempted against this president was absolutely out of line with what the founders had thought, what people had always believed was the basis for Constitutional impeachment.

KING: Clear up something for us. You've written this details of how he told you, the morning he told you, the grand jury. Others are saying you had to know before. There's a book out that said David Kendall told you before. Now no one knows it better than you.

CLINTON: That's right...

KING: What do you make of the stories that you knew before?

CLINTON: Well one of the reasons I did want to write book was so many people are on the sidelines saying I should have done this or I would have done that or in some way talking about my life without having lived it. and I have. So I think I know a little bit about what I did and what I knew.

You know back in January of 1998 when my husband woke me up the first time and said there was going to be a story in the paper, I cross examined him, I asked him some hard questions. But I really didn't have a lot of trouble believing that this was one more in a long series of accusations because by that time I'd been accused of so many things. There had been front page stories around the country that had no basis in fact, that said all kinds of things about me.

So, I viewed this as another in a line of those kinds of accusations. And one of the things that I did to get up every day and keep going was really not pay attention to the press.

KING: Didn't read the paper?

CLINTON: I did not read the paper.

KING: Didn't watch the news?

CLINTON: I did not watch the news. I was focused on doing what I thought of as important, the issues I cared about, working on things like children's health and foster care and the like.

KING: So when he told you is when he told you?

CLINTON: When he told me is when he told me. And of course, David Kendall, who's a dear friend as well as my lawyer, has said that account is not true. And so I think we can put that to rest.

KING: Can you say you were shocked? Is that a good word or..

CLINTON: I was so upset. And I was...

KING: Upset more than shocked?

CLINTON: Well, shocked, upset, dumbfounded. You know, as I describe in the book, I couldn't believe that what he had told me and everybody else, for a very long period of time, was, you know, not the facts.

KING: Did you at all, when this happens to someone -- I've interviewed a lot of psychiatrists over the years. They say one of the first things the injured party feels is guilt. What did I do wrong? Did I do something that led to this? Did you feel that way?

CLINTON: Oh, I don't think I felt that way about that particular instance. But it is the case that we did have to work very hard to decide whether we were going to stay married. And we did have counseling. I write about that...

KING: Did you lay any blame at yourself?

CLINTON: Well I think in a marriage you have to be honest and ask yourself, you know, what is my role? What is my responsibility?

You know, marriage, like any relationship, has two people involved in it, whether it's a problem at a particular period in time or a difficulty that you have to confront together. So I certainly asked myself a lot of hard questions.

KING: How, Hillary, did he explain it to you? I know you, you didn't let it go at just this was a passing affair. How did he explain what happened?

CLINTON: Well, in the book, Larry, I say that that's his story to tell. I have told this from my perspective, you know?

KING: His book well tell it?

CLINTON: Well, it's his story to tell. He has to decide, you know, how much he does share and what he does explain.

But I think what was important to me is that when I found out, I had to really figure out how I was going to keep going. You know, on the one hand, I had this horrible personal betrayal that I had to deal with. On the other hand, he was not only my husband, he was my president. And I thought what was being done to him was really out of bounds. He should have answered to me and to Chelsea...

KING: So you could think both things at the same time? He's being done wrong but he did me wrong.

CLINTON: That about sums it up. That sounds like a country western song.

KING: That's sort of like -- yes. That's sort of like spinning around, though, isn't it? You could go nuts.

CLINTON: Well, it was very hard. It was very hard because -- but I think anybody who's been in these positions, it may not be my particular set of circumstances...

KING: A lot of the population has.

CLINTON: Well, certainly. And you know, if you're a teacher or a doctor or drive a forklift, as I say in my book, you know, you've to go on with the public part of your life. But you don't have the whole world watching you.

You know at the very time that this awful experience was unfolding in our personal lives, I knew that my husband was getting briefed on a regular basis about whether or not our intelligence could pinpoint bin Laden so that we could try to launch missiles at his training camp and remove the threat that he posed.

KING: But didn't the pain supersede that?

CLINTON: Of course the pain in the beginning was overwhelming, but...

KING: I mean you didn't go to bed thinking about bin Laden?

CLINTON: No, but I put that in the book because I want people to understand what was at stake here. Which is why I feel so strongly that the politics of personal destruction which were waged against us was terrible for our country.

KING: We'll take a break and come back and ask about the private lives of public people. Our guest is **Hillary Rodham Clinton**. The book is "Living History." Don't go away.

(COMMERCIAL BREAK)

KING: We're back with Senator Clinton.

Why didn't you get divorced?

CLINTON: Well, I had to ask myself that. It was a very prominent question in my mind. And we had to work really hard to decide what was going to happen with our marriage. But...

KING: Did it come -- almost think of that? I mean, was it...

CLINTON: Well, I certainly entertained it. I think anybody in my position had to or would have.

But, you know, as I write in the book, we've been together now more than 30 years, started dating in law school, started working together. We're very proud of the daughter we raised. We've been through a lot with our families. We've done so much for each other. And we decided that, you know, we really wanted to grow old together. So we made that decision.

KING: But you had, even as you said in the "60 Minute" interview, which you write about, you had other trials in your marriage.

CLINTON: Well, I don't know any marriage that doesn't have trials. You know, thankfully most of them are pulled out for people to dissect and analyze. But we were certainly, you know, able to say that we had worked through a lot of things and yet we never had the intense and focused effort that we put in after August '98 with the counseling and really trying to, you know, ask some of the hard questions that need to be asked in a marriage.

KING: How much of a public life is my business?

CLINTON: You know, Larry, I think we've gone from one extreme to the other. I think if we look back on our history, we had some very effective public servants who may have had some problems in their personal life and people who were perhaps paragons of personal behavior but were not good publicly to our country.

And what I want is for people to recognize that those in public life, like all of the rest of us, are human beings. You know, we have our strengths and our weaknesses, our faults and our abilities. And I often think of this old Irish saying that if our sins and flaws were written on our forehead we'd go around with a cap over our eyes because none of us could, you know, bear that constant exposure.

KING: But when you choose the life you chose, you choose to lay bare the other aspects, right? You're open for it.

CLINTON: Well...

KING: When you run for re-election, everything's fair.

CLINTON: In recent days, in recent years, that's become certainly the practice. But you can look back on our history and know that that wasn't always the case.

But it is what it is. And so you have to live with the rules that are currently in place. And one of the reasons why I believe in public service is because I think it's important to try to keep the focus on what those of us in elected office are trying to do on behalf of the country and I must say the American people got it straight and right from the very beginning. They understood that this was between us, as it would have been between them in a marriage, and that what was important is the job that Bill was doing as president.

KING: What do you think of Monica Lewinsky?

CLINTON: You know...

KING: What do you think of her?

CLINTON: Well, I have to say that, you know, as I write in the book, I think that everybody's privacy in this situation was invaded and I regret that. And I think was unnecessary and I really do believe it was part of a concerted effort to use whomever to try to end this presidency, mostly because...

KING: (UNINTELLIGIBLE) it were a Republican, don't you think the Democrats would have had a concerted effort to...

CLINTON: I don't...

KING: ...get that president. You don't think so?

CLINTON: I don't think so.

KING: You really don't?

CLINTON: I really don't, in part because I don't think they're very good at it. They don't really have that kind of mentality.

KING: The Democrats are not good at...

CLINTON: No, that's not what they worry about or think about in large measure.

I think that you can disagree with people and debate over their positions with issues without engaging in the politics of personal destruction. And that's what I really regret and hope we never go back to that.

KING: The other instances that came to light -- you don't dwell a lot on Paula Jones or Gennifer Flowers. You don't mention Katherine Willey. Reason?

CLINTON: You know, all of those things were investigated and looked into and, you know, they're part of history. And I'll leave it to other people.

KING: I know that. But personally to Hillary, personal feeling to you. You know about the investigation. How do you feel?

CLINTON: You know, I have talked a lot in this book about how I feel. But I also believe in the continuing right of every person to have a zone of privacy, which is an expression I've used and I still believe in. I have tried to, you know, let people have a better idea of what I think and how I feel and how I reacted.

KING: But not everything?

CLINTON: Not everything. I don't think that's appropriate.

KING: How did Chelsea handle it?

CLINTON: I'm going to leave that to her. She's an adult now. I don't talk about her, as you know, going all the back to the beginning Bill's run for the presidency. But I'm very grateful that, you know, she is a wonderful, level-headed young woman with a life of her own.

KING: What's she doing now?

CLINTON: She's still studying over in England and she'll be finishing up this summer.

KING: She serious with this young man?

CLINTON: I would get in a lot of trouble if I started talking about that.

KING: Do you like him?

CLINTON: Oh, I -- yes, I do. I do. I think I have a lot of respect for her judgment.

KING: We'll take a break and be back with more of Senator **Hillary Rodham Clinton**. The book is "Living History." It's already set a one-day record. Over 200,000 copies sold on the first day it was available.

Don't go away.

(COMMERCIAL BREAK)

KING: On July 20, 1993, this program came to you live from the White House. The guest was president Bill Clinton. And halfway through that interview we asked him if he would like to stay an extra half hour. He said he would. Everybody came in my ear, the producers and others, said get him off at 10:00. He's got to be at off 10:00. When we finished, he looked like what the hell is this all about? I didn't know. We didn't know that Vince Foster had killed himself that day. You were in Arkansas that day?

CLINTON: I was.

KING: Were you watching the show?

CLINTON: I was watching the show.

KING: We announced he was going to stay and you played a part in getting him off, didn't you?

CLINTON: I didn't know about what happened until Mack McClarty, Bill's old friend who was then chief of staff in the White House. I was in my mother's house in Little Rock with Chelsea, and he said I have something terrible to tell you and told me that Vince had died and that it appeared to be a suicide. And you know, we were both just -- we couldn't talk. And Mack had grown up with Vince, and he and Bill and Vince all knew each other going back to childhood. And then Mack said I have to ask your advice about something, Bill is on live on LARRY KING LIVE, and he just agreed to do another half hour. But what should we do, because I don't want him to find out on live television.

KING: I had a police wire and called all in.

CLINTON: And would have been a police wire or maybe the AP or someone would have had it. Mack don't you think we ought do something?

I said yes. I said he shouldn't learn about one of his dearest friend's death on live television.

KING: Did you know he was depressed?

CLINTON: None of us knew. As I write in the book, I think every one of us has searched our minds for some clue we missed, something we could have done or said that might have made a difference. You know, Bill tried to get him to come over, I think the night before he killed himself before he -- to watch a movie and he didn't come. I write about the last conversation I had with him some weeks before, I was so busy and caught up, going to our first overseas trip to Japan, and I didn't have much interaction with him. And I write about how I canceled a dinner because I couldn't make it. And in retrospect we learned a lot about depression.

KING: What did you think about the rumors with you and Vince Foster?

CLINTON: That's the kind of thing, I paid no attention to it.

KING: Was it befuddling to you? How did you act.

CLINTON: When you have people who will literally say anything, and we did, I know that in the eight years I was in the White House I was accused of everything including murder. I mean it was a terrible time.

KING: Murder.

CLINTON: Yes. It was awful. And you get to a point where you read these absurd charges, and you just think to yourself, don't these people have any better things to do than make up things about people?

And I shut it out and shut it off and don't pay attention to the any of the stories. Which is why as I said earlier I could shut out story that I heard in 1998 for so long.

KING: You were able to do that, someone could tell you, a friend, a story about you and Vince Foster in certain magazine and you could not read it?

CLINTON: There were so many stories, I can't even begin to tell you. The stories were endless.

KING: Why do you think people don't like you?

CLINTON: Well, I think there may be some reasons why people don't that are certainly legitimate, and that's their perfect right to make their own conclusions. But I really do think a lot of it had to do with Bill's agenda, Larry. There are two very different views about the kind of America we should want to live in and have in the future. And when Bill won, it just absolutely amazed and infuriated some people because they thought they had a lock on the presidency forever.

KING: Why you?

CLINTON: Look, I'm outspoken. I have strong feelings and opinions. I had always worked. I continued to try to help my husband, not only in his campaign but when he got to the White House. So, I think a lot of factors all happening at the same time. But at the bottom of it all, there is a very different view about what should be done in this country. And I'm on one side of that, along with my husband and about half of the country, and the vast right wing network or agenda or whatever you want to call it.

KING: You still believe in that?

CLINTON: Absolutely, I don't think there is any doubt about it.

KING: You wouldn't take that statement back.

CLINTON: I say in the book that it may not be a conspiracy because after all that suggests something secret and behind closed doors, this is out in the open. People who are very much tied in and connected with trying to promote a particular political and ideological perspective.

KING: Did you read "Primary Colors"?

CLINTON: No.

KING: See the movie?

CLINTON: No. Poor Joe in is really going to upset with me.

KING: The book purported to be about you and Bill and running for office and your life, and you have the discipline not to read it?

CLINTON: I do. I do. I don't think I've read any of the books that have been written about me. Some of the statements made, of course, or some of the charges have been brought to my attention. But I had to make a very fundamental decision. And it really goes back to my childhood and the way I was raised. You know, my mother, who had a very tough life, but gave me every ounce of love and attention she could possibly muster, always said to me, you have a choice every single day.

Are you going to act and do what you think is right or are you going to react and be somebody else's pawn in their life and their story?

So ever since I've been a little girl, I've tried to do what I thought was important and what I thought was right. And I certainly needed that by the time my husband got into public life and particularly when he decided to run for president. Because it was relentless. And it was a never-ending series of all kinds of accusation and stories, which if I had spent all of the time reading what other people were saying about me and worrying about what they thought, I'm not sure I would have gotten out of bed in the morning.

KING: On this program in 1997 a caller asked if you would ever run for office and you said absolutely not.

CLINTON: Right.

KING: You reiterated.

CLINTON: Right.

KING: What changed?

CLINTON: I had no intention, no desire. I did not think it was in my future whatsoever. When we got toward the end of the White House years, and people started asking me to run for the Senate and very knowledgeable, politically sophisticated people, I said no, that's absurd, that's ridiculous, I'm not going to do that. But as I began to think about everything I cared about and all of the issues I worked on for so many years on behalf of women and children and families, I decided I would continue to do that. And spend a lot of my time trying to get people who work in the body I'm part of to do what I thought was important.

KING: Do you think you would have beaten Giuliani?

CLINTON: We can't rewrite that history. I think it would have been a great race and I was ready to run it.

KING: We'll take a break and come back with some more moments. We'll touch as many bases as we can in our remaining moments with Hillary Clinton. Your watching LARRY KING LIVE don't go away.

(BEGIN VIDEO CLIP)

CLINTON: I am honored today to announce my candidacy for the United States Senate from New York!

I will work my heart of for the next six years for all of you. Thank you. Thank you. Thank you. And god bless you all.

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: A few more item. Why did you not discuss the pardons?

CLINTON: Well you know that is really my husband's story to tell. And he'll have to do that. Those were his decisions.

KING: Didn't you as citizen have some thoughts about it?

CLINTON: I'll leave that to him to talk about.

KING: Didn't bother you at all?

CLINTON: We'll leave that to him.

KING: The president promised \$20 billion to New York after 9/11. I think he gave \$10 billion. Are you disappointed?

CLINTON: No, we actually got...

KING: You got the rest?

CLINTON: We got a promise of nearly \$21 billion, and we still need help and we're still working to make sure the money that the Congress appropriated actually gets out to New York and that...

KING: So they haven't reneged?

CLINTON: No. But we're still fighting to get the money where it needs to go.

KING: How did the Rose Law Firm's Whitewater billing arrive into the White House?

CLINTON: You know I write about that in the book. And believe me if there had been anything unusual about that, you would have been still hearing about it because there were certainly a lot of questions raised.

But the fact is that when they showed up they proved what I'd been saying, so...

KING: You don't know how they got there?

CLINTON: No, I don't know how they got there. But they proved what I was saying. And you know every investigation of that whole matter also proved what I had been saying, which was this was a losing real estate deal and unfortunately they spent \$70 million basically to say the same thing.

KING: How do you feel about Susan McDougal?

CLINTON: I think she has been very courageous and I write about her in my book. I think that standing up against the full onslaught of the special prosecutor and the sort of partisan attacks that she was under took a lot of courage.

KING: In the Senate yesterday, Assistant Attorney General Michael Chertoff came up to be a federal court appeals judge. The vote was 88-1. You were the one.

CLINTON: Right.

KING: Why?

CLINTON: Well during that time when he was on the staff of the committee in the Senate, a number of the young people who worked in the White House were, I thought, very badly treated by the Senate staff investigating Whitewater. And a number of those young people were put under tremendous pressure, legal bills that they had to run up. And I just didn't think it was handled appropriately or professionally.

KING: So you didn't think him worthy of a judgeship then?

CLINTON: Based on my firsthand knowledge of what went on during that period. But, you know, that's over. That vote is gone and part of history.

KING: Could have skipped the vote, couldn't you?

CLINTON: You know, there were several of these young people who asked me to express the only way I could the very difficult feelings that they had in the way that they were treated by that staff.

KING: So you were making a statement?

CLINTON: Yes. I mean, you know, it was a single vote. But it stood for a lot of what I think was wrong during that period.

KING: Have about two minutes left. There will be a movie about you. And the word is Sharon Stone is going to play you. Do you have a reaction?

CLINTON: Well, I'm obviously flattered. Wouldn't anyone?

KING: Will you watch that?

CLINTON: Probably not.

(LAUGHTER)

CLINTON: You know, I'm too busy living my life. I cannot live other people's ideas of my life. I cannot worry about what other people say about me.

If readers get one thought from this book, it is that you have to live your own life and make the choices that are right for you. And whether you're the only person who listens to your heart and thinks hard about what you should be doing, that's the road you have to take.

And that's what I've tried to do in my life. And, you know, I ended up in the middle of this incredible situation here in Washington and a lot of people were taking very extreme positions about me. But what I've tried to do is to just follow what I thought was right every single day.

KING: Going to run for higher office? What's higher than Senate? Governor.

(LAUGHTER)

KING: Are you going to run for governor one day?

CLINTON: I have no interest or intention to do that.

KING: How about president one day?

CLINTON: I have said I have no intention to do that either.

KING: But intention is not -- we're not going to the '97 statement, right? I will not run.

CLINTON: Well, I guess that just proves that, you know, you have to only say what you believe and what I believe is I have no intention to do that at this time.

KING: Would you describe the marriage today as strong and healthy? Or am I putting words in your mouth?

CLINTON: You know I think now that we're back into something resembling a normal life, which is a great gift to us, you know, we're having a terrific time.

KING: You wrote the book in longhand?

CLINTON: Well, I had a lot of help, and I am very grateful for the help I had. You know, people were a wonderful team. But I did. I wrote in longhand. They had to type it up because I have not mastered the art of thinking on a computer. I go from my head to the fingers.

KING: How is president doing with his book?

CLINTON: Same thing, writing it in longhand. And...

KING: That's due when?

CLINTON: Next year. And he's having a great time doing it.

KING: Good seeing you, Senator.

CLINTON: Good to see you, Larry. Thank you.

KING: Senator **Hillary Rodham Clinton**, Democrat of New York, former first lady and author of the just released memoir, "Living History," sold over 200,000 copies the first day.

"The Early Show," CBS, 6/11/2003

Senator **Hillary Rodham Clinton's** book appears to be heading to the top of the best-seller list. According to bookseller Barnes & Noble, "Living History" has already set a one-day record for sales for a non-fiction book. On Tuesday, the former first lady sat down with CBS News correspondent Dan Raviv to talk about the book and some of the personal revelations she's made.

DAN RAVIV reporting:

So far, she says the book tour's a delight. Everyone's being nice to her. She admits, that's a surprise.

You're all the time described as a divisive person, as a polarizing person. Look, you're smiling at me. You don't--you--you don't mean it to be that way. And yet, when we hear about \$70 million spent in investigating you and President Clinton, whose fault is it? And, frankly, is \$70 million that bad? Federal investigations always cost a lot of money.

Senator **HILLARY RODHAM CLINTON:** Well, I suppose it depends upon who's being investigated.

Unidentified Man: William Jefferson Clinton, president of the United States is impeached.

RAVIV: An abuse of the Constitution, partisan--her description of her husband being impeached, though she was angry at him for lying to her about sex with the intern. Did she have to write about that, almost to justify the \$8 million from the publisher?

You felt like you had to go into that personal area?

Sen. **CLINTON:** Well, Dan, it was a very--it was a very difficult choice, but here's what I concluded. Things that should have remained private and personal were made public, and I regret that. I think it was wrong, and I hope it doesn't happen to anybody else in public life. And so when I--when I realized that these things had been made public, I didn't see how I could write about my eight years despite all the wonderful things I had to remember and account in the book, without recognizing that this was now part of history. I couldn't act as though it hadn't happened. And so...

RAVIV: There's part of you that wouldn't want to reveal what went on between you and Mr. Clinton?

Sen. **CLINTON:** I--I don't think anybody should. And I think that it was very unfortunate for our country and unfortunate for the presidency. And what I try to do in the book, is to really explain to the reader that on the one hand, this was a terrible experience and a betrayal for me as a wife, as--as--at a personal level. He was my husband, but he was also my president. And so although I was very concerned about and unsure about the marriage, I was absolutely convinced that what was being done to the president was wrong.

RAVIV: Her book has become her new platform. She is fighting old battles, but also looks to the future, perhaps to move back to the White House as the first female president.

You might run in 2008?

Sen. **CLINTON:** I have no intention to run.

RAVIV: But she's certainly not ruling it out. For THE EARLY SHOW, Dan Raviv, CBS News, Washington.

CHEN: Dozens of copies of "Living History" allegedly signed by Senator Clinton are already up for sale on eBay.

Still ahead, we'll get an update on the condition of Luther Vandross when we talk with his mother about her son's health and about his music.

Plus, the boys in the band Smashmouth will be here to do their part to save the music. But first, these messages and your local news.

(Announcements)

SENATORS CONRAD BURNS AND HILLARY RODHAM CLINTON HOLD NEWS CONFERENCE ON E-911 BILL, 6/12/2003

BURNS: And I'm just delighted that Senator Clinton from New York -- I think the last time I said that I heard she was from Arkansas; I had to race back to the floor and correct that before -- you know she's got these body guards that travel with her now and they come after you...

CLINTON: Because of you.

(LAUGHTER)

BURNS: I know. But I had to go back and correct it.

But she has also brought a perspective to this issue that I think needed to be brought to the issue and raises the awareness of it in the public eye. So I welcome her and thank her for her good work on this.

CLINTON: It is such a pleasure working with Senator Burns on any issue, but particularly this one because it's such an important matter that goes to the real heart of how we take care of each other. And whether it's Montana or New York or any place in our country, we now know that we have the technology that we should be putting to use in order to enhance our emergency services -- and we're not -- and that's what this legislation is aimed to fix.

So I very much thank Senator Burns who's really been the leader and the voice for this and is the co-chair along with me of the congressional E-911 caucus. But I really have to thank all of you who are in this room because you are the ones who have kept this issue on the forefront of our minds.

And John has just been tireless along with everyone associated with Nina (ph), and Diana, I thank you and AFCO because these two organizations have made sure that we really are hearing from the people on the front lines across our country and for that I'm grateful.

I think that as we introduce this legislation, we have to keep in mind why we're here and what this is about. In a few minutes, I will have the honor of introducing to you two women who will speak firsthand about why this is important. Their experiences and the tragedies they suffered are ones that motivate me everyday to try to make sure we get this legislation passed along with our House counterparts who are working as well.

Now, in New York, our state started tapping wireless customers with a 911 surcharge on their monthly bills back in 1991. The surcharge which to date totals \$1.20 a month has raised nearly \$300 million in revenues, almost all of which have been diverted for things that have nothing to do with E-911 deployment and infrastructure and that goes right to the heart of what Senator Burns was saying.

CLINTON: It's very frustrating when you have a state that was farsighted enough to put the surcharge on for this purpose, and yet year after year in our state capital the money doesn't go there.

And some of you were here a few months ago when I introduced Assemblyman David Koon, who's been the leader in our state because of the personal tragedy he suffered when his daughter was desperately seeking police assistance, having been kidnapped and then unfortunately, tragically brutally murdered. They couldn't find her. They didn't know where she was.

Two hundred and twenty one million paid in 911 surcharges by cell phone users in New York has been used to fill holes in budgets in New York, and that's just plain wrong because this is about how we respond to emergencies, but it's even more importantly about how we prevent emergencies and how we prevent tragedies of all kinds.

Now, just recently I was pleased that the state legislature in the budget in New York included a \$100 million bonding authority provision that can be used for grants to public safety answering points, the PSAPs, for 911 infrastructure training, all of the pieces that need to be put in place in order for this to work. And I wish that it had been \$300 million, which is what we've asked for and which is what we've collected in 911 surcharges, but I think it's important that at least we've got this legislation on the books.

I also wish that the debt service for the bonds would have been legislatively designated as being paid for out of the surcharge. But that's not the case, it's going to come out of general revenues. But at least we're on the boards with this innovative approach toward getting the dollars we need in New York.

Now, this bill, I think will take us even further. And there are several provisions which will absolutely close the circle on what we're trying to do. Creating this national task force to increase federal coordination among federal, state and local emergency communication systems, emergency personnel and public safety organizations is one of the things that we heard from all of you, that there is no constant, reliable communication in every part of the country. We hope to be able to fix that.

The bill would authorize \$500 million in much needed matching grants, as Senator Burns said, to all kinds of jurisdictions to be able to do this work. And finally, and very importantly for New York, this bill will hold states accountable so that we don't see the diversion of 911 surcharge revenues for other purposes.

Now when we look at this problem it's easy to get caught up in the legislation and the statistics, but I want to remind us why what we're doing is so critically important. As many of you know, tragically this past winter in New York four young men were lost in a boat in the waters off of New York City. Just, you know, four young high-spirited, energetic students who were going on an adventure that I bet every single one of us can think back and remember something we did comparably.

No, not Conrad, though, I know that.

And tragically they called for help. That call got through, but it wasn't responded to and there was no infrastructure in place to be able to pinpoint their location.

CLINTON: Two of their mothers are with us, and I would like to ask them to come forward now. Mrs. Badillo (ph) and Mrs. Duffy (ph) will tell you in their own words about their sons and about what they've been doing over the past months. They have been tireless, lobbying

in Albany, speaking out, trying to ensure that what happened to them doesn't happen to any other mother or father in New York or elsewhere in our country.

And I would like now to ask Virginia to come forward, and then Barbara Duffy (ph).

VIRGINIA BADILLO (ph): Good morning.

On January 24, my son Henry Badillo (ph), Max Barino (ph), Charles William Baker (ph) and Andrew Melikoff (ph) were in a boating tragedy. At 9:58, Henry made a desperate 911 call on his cell phone to dispatch operators and told them that the boat was taking in water off the coast of (inaudible) Long Island Sound. His last words were, "Oh, God, we're going to die."

Rescue crews didn't start looking for the boys until 14 hours later, in part because they couldn't locate the boat's location. Our sons were recently recovered, from January 24 to May 19, Max being the first, Henry the last.

If the 911 enhancement had been in place, our sons could have been alive today. The parents of these boys support the federal funding and oversight to upgrade the E-911 system with emphasis on improving local emergency callers -- PSAPs -- ability to locate wireless callers.

Thank you so much, Senator Clinton and Burns and everyone who has been involved in this enhanced 911. Hopefully we'll be the last parents to lose our children in this type of accident. And thank you everyone for your support. Thank you.

BARBARA DUFFY (ph): Virginia and I are here today on behalf of our children, but also on behalf of all the other fathers and mothers who use cell phones as a method of safety for their children.

My son was going to turn 18 this year, and he was looking forward to being able to vote for the first time. And we're very excited that there's been bipartisan support in New York State and now on the federal level to do the right thing. And he would be very proud to see government working.

And we'd like to thank everyone who was involved in New York State and now on the federal level for making this a reality, and we hope that we're the last parents who have to stand in front of you having suffered a tragedy.

BARBARA DUFFY (ph): Thank you.

BURNS: Questions?

By the way, there's one thing we failed to mention -- not only the testimony of these two mothers, but we could retell that story many times. But this also sets up a task force and it coordinates the agencies between Justice and Homeland Security, the Departments of Interior, Transportation, FCC and, of course, with the local agencies, just it sets up that task force so that these agencies communicate.

We find out that we set up with some plans, and they're grand plans, but they bog down because one agency doesn't correspond or communicate with another. And so this sets up a task force we hope to get through that bump, so to speak, that barrier that we always have of turf and walls and, of course, communications.

So with that, we'd take some questions. Yes, sir?

QUESTION: Senator Burns and Clinton, there's been a lot of criticism over the sky-rocketing federal deficit. Where do you expect Congress to find the \$500 million a year to pay for this grant program?

BURNS: Well, that's a good question. Have you got any ideas?

I think, you know, whenever we start talking about authorizing money and then it boils down to the will and priority. In other words, are we funding some programs that Americans can do themselves or is it the purpose of government to provide an infrastructure so that the imagination and ingenuity takes over from there.

When you boil this down, sure it sounds like a lot of money of the federal government. When you look at all of the communication centers that have to be reworked and that technology brought up to speed, it's really not a lot. And so they're still going to have to do some very imaginative things in each one of our states and jurisdictions in order to get this done. It boils down to a matter of will and a matter of just why we're here and what the role of the federal government should be.

CLINTON: I would just add that, you know, to me this is fundamental to homeland security. This is part of the national effort we're undertaking now with our new department and with our commitment to providing the infrastructure and resources to make us safe here at home. So this goes right up at the top of the list with border security and port security. Because we don't have this system, a lot of what we think we're getting by investing in homeland security will not be as effective.

QUESTION: Is there any provision in there -- I haven't read it -- on dealing with the portability of cell phone numbers?

BURNS: No. Not yet. That's a different issue.

QUESTION: But there has been some talk about attaching something like that to this legislation.

BURNS: Well, there may be talk of it...

QUESTION: (OFF-MIKE)

BURNS: We got to understand, you know, you've got a lot of private entity that is involved in this. And we also have an economic situation of deployment. Then I think we have to boil down and look at our priorities, look at our priorities. Right now we can, using wireless, route that 911 call into the nearest first responder. We can do that now.

When you start talking about portability, then you're talking about another issue. Yes, it's important, but basically I think we've already made the first hump in portability and that is guiding the 911 into the right first responder; and number two, and locating them. That's the first two priorities. Let's don't throw an economic situation in here where we don't get either one of them done in a timely fashion.

CLINTON: I think that's a very important point. We're trying to walk before we run. We know we may need to run eventually, but let's try to get this national system up and going.

You know, one of the problems -- and you allude to it -- is, you know, if you've got a 202 area code on your cell phone and you're in Montana enjoying the dirt between the light bulbs, you know...

(LAUGHTER)

... and something happens to you, and you call in, it may be more difficult to find, you know -- we've had those stories, where, you know, you call 911 and it rings in Washington instead of, you know, in Missoula or somewhere.

So I think that our challenge, though, is to get the national infrastructure going. And we expect, frankly, the private sector to be a partner in this and to innovate along with us and to help us get the answers that we need. But right now we're kind of letting everybody off the hook. You know, the states have an excuse, the local communities have an excuse, the private sector has an excuse -- everybody's got an excuse. And I think both Conrad and I are trying to figure out a way to clear the field of excuses so that we can get a system in place.

QUESTION: Step me through this process of certification, because I can envision a situation where the states are not diverting funds, but the localities are diverting the funds. So, you know, I mean, would that then make the whole state not eligible or not that locality or what?

BURNS: Well, I think we'll probably hold the states. I think once the states get it -- I mean, the majority of states that I have visited have said, "You give us the money if it's designated to go into it."

Most states have set up communications departments through Homeland Security that advise the governors on their needs for emergency communications needs. And with that high a visibility I have an idea that that money will go to those communication centers or where it is needed to put this in place.

BURNS: States are a little closer to the people and counties are a little closer yet. And the closer you get to the people, the better use of the money most times. OK?

Yes, sir?

QUESTION: I was going to ask you (inaudible) that OMP thing is on the House side there's some discussion of (inaudible) on that issue. But also on the House said they wanted to deal with the issue that some of these rural carriers, the one that always carries the rural are going to have trouble maybe meeting some of the standards for FCC and providing some overall flexibility for them. Is that something you would at least look at as part of your goal (ph) system goes forward?

CLINTON: Well obviously, you know, we've put together what we think is a bill that has the main components in it, and that we believe can have bipartisan support in the Senate and we can actually get it passed. There's such a thing, as you know, called a conference committee. If the House tries to do something a little bit differently, obviously we're going to sit down.

But the important goal for us is to get this passed. It's going to take some time to get it implemented. It's going to take time to get the money not only authorized, but appropriated. We want to get on the road with this. So I hope that whatever comes out of the House will be compatible enough and not controversial so we can try to get a bill this year to the president and get on the road with this

QUESTION: You have yet to appoint a leader (inaudible)?

BURNS: Yes.

CLINTON: Yes.

BURNS: I will tell you everything takes longer -- Murphy's Law takes over here. It just does in this town of what I call 17 square miles of logic-free environment. And then if it's good, everybody wants to have a little fingerprint on it. We've got to deal with that. And we can deal with that, because that's what they pay us to do.

CLINTON: Is that what they pay us to do?

BURNS: Yes, you don't need the money, huh?

(LAUGHTER)

QUESTION: Could you walk us through some of the penalties, if there are any involved with the states non-compliant with this?

BURNS: Well, they would just lose any kind of federal funding that...

QUESTION: Is that as well as the implementation of the technology in that state?

BURNS: Yes, well, in other words, if they misuse the funds, then they're taken out of the business of even applying for a grant, matching grant.

QUESTION: (OFF-MIKE)

CLINTON: That's what we hope that won't happen.

BURNS: That's right.

CLINTON: It's kind of, you know...

BURNS: I think you underestimate the power of sheriffs' departments and communication centers and the power that they have with the state legislatures. You've got to remember that they all respond. They're just like we are. And they respond to those emergency situations. And you know, this -- not all the answers are here. And so it's -- we've got all of the answers, you just don't have the right questions.

(LAUGHTER)

No, I can't say that. But really, we underestimate the power that state legislatures and governors have. And at the local people, I'll tell you what, what really spurred this along was the local people says hey, that money is not getting down here.

CLINTON: Right.

BURNS: And it energized the New York State Assembly and it energized the people in Helena, Montana. And it wasn't very long, they were here. And remember, we got -- there's a lot of politics. This doesn't start here nor does it end here.

CLINTON: And this is kind of a political squeeze play here.

BURNS: Yes.

CLINTON: We've got the local people who are adamant about this, and that's why I don't frankly worry about what happens in the counties, because I think they're chafing at the bit to get going.

CLINTON: And we've got now, you know, a very good piece of legislation here in the Congress so we're going to get this done. And many of the states -- look, we know the problems the states have -- I understand that very well and this money has been diverted for, you know, in many instances projects and expenditures that are also important but that's not the point. The point is the money should have gone where it was intended to go and this is aimed at getting that done and that's what we hope will happen.

BURNS: Trying to rearrange their priority list.

CLINTON: That's right, exactly.

BURNS: Yes sir, last question.

QUESTION: Is there any estimate of how much (inaudible) it would cost to get an E-911 system up and running? It looks like with matching grants it would be \$1 million in funds in total, is that enough or is more needed?

BURNS: It's eleven o'clock, we got another press conference.

(LAUGHTER)

I'm glad you led into that, that's just a little teaser for this, you know. You got to stick around -- more to come, right after this. We got to go pay some bills now, the commercial comes.

CLINTON: Thank you very much.

BURNS: Thank you very much for your interest. We really appreciate that.

END

"Inside Politics," CNN, 6/27/2003

WOODRUFF: I sat down with New York Senator **Hillary Rodham Clinton** about a wide range of issues yesterday, including the White House-backed Medicare reform bill. Senator Clinton opposed the measure. She says it doesn't go far enough. Senator Edward Kennedy, however, decided to support the bill. He was a leading supporter. I asked Senator Clinton if she thinks Kennedy made a mistake.

(BEGIN VIDEOTAPE)

CLINTON: I think he believes given the fact we have a Republican president and Republican majorities in both Houses, that this is the best we're going to get, and we should take it as a down payment. And I understand that position. I don't agree with it, but I certainly think it's a credible, supportable position to have.

WOODRUFF: You don't agree with it. And the other piece of this is, is doesn't it take a potentially good issue for the Democrats off the table and let the president have a victory here?

CLINTON: Well, I don't think about it like that. I mean to me you're supposed to be doing the work for the people who send you to Washington and the politics will take care of itself.

What I'm worried about is the substance of the compromise that I'm afraid will come out of a conference committee between the House and the Senate. You know clearly everyone wants the same goal, a prescription drug benefit. I believe it should be in Medicare. I think that we're looking down the road at so much confusion and so many problems for seniors to try to understand what this means. People are going to be paying benefits for a service that they're not going to get for part of the time. I mean there's a lot that just doesn't make sense about this proposal.

WOODRUFF: Turn to the Supreme Court, a lot of discussion and speculation about whether there will be a vacancy, a retirement on the Supreme Court right now. If there is, if the president picks a replacement is it automatically going to be a bloodbath, do you think, in the fight for confirmation?

CLINTON: I think it depends upon who the president nominates. You know, just this week we've had two landmark decisions, one upholding the role of diversity as a compelling state interest in the admission process to higher education and the other upholding the right to privacy. So clearly a great deal of concern that if we have someone who is so extreme that they couldn't work with the remaining justices, that they would come at these issues from way outside the mainstream of American jurisprudence, then I think there would be a problem. But there are so many thoughtful Republicans who could be nominated, and I hope the administration, if a vacancy opens up, will choose to go that route.

WOODRUFF: Now some Democrats have written a letter to the president saying this should be a collaborative process, that he should consult with Democrats. Now it's my understanding that Republicans did that when your husband was the president. He didn't necessarily agree to do that, I understand. And if that's the case, why should President Bush do it?

CLINTON: Well I think there was a lot of consultation during the Clinton administration. And in fact there were oftentimes a senator from a home state of a nominee who would say no and the administration abided by the rules of the Senate and didn't go forward, and we're not seeing quite that same courtesy now. And, unfortunately, many nominees who were well qualified, who were within the mainstream of American legal thought were held up,

never given a vote, filibustered and unfortunately, were not given the chance and honor to serve our country on the bench.

I think what the letter that a number of my colleagues from the Judiciary Committee meant in the effort to try to work collaboratively with the administration was to say you know we're willing and more than willing to meet you more than halfway on a nominee for the Supreme Court. Please pick someone who isn't a poke in the eye, who isn't an extremist and let us work collaboratively with you.

WOODRUFF: Let me ask you about the 2004 election. We have at least nine Democrats out there who have declared they want to be president. They're out there work, they're giving it their heart, they're campaigning day and night, they're pouring their passion, but are they getting their message across? It seems to me they're having a hard time connecting with the American people. What do you think?

CLINTON: I don't think that's a fair assessment. I think that right now they're doing what a candidate so far in advance of any votes being cast have to do. They, unfortunately, have to spend a lot of their time raising money. They do have to get out and meet people and try to round up potential delegates and voters. I think we have some very highly qualified, tough-minded candidates running, and I don't think the American people are paying much attention. They're not handicapping this right now. But when we get closer to votes being cast in the Iowa Caucus, in the New Hampshire Primary, I think you're going to see someone emerge from that process who will be a very viable contender against President Bush.

WOODRUFF: What do you say to those observers, Senator Clinton, who say that your husband out there making speeches, more active than most former presidents have been, you're out there with your book, the comment I heard is well, the Clinton's are -- you know they're getting all the attention, they're hurting the Democrats who are running for president taking attention away from them? What do you say to that?

CLINTON: Well, I don't see that at all. I think that we have good candidates. I'm certainly going to support whoever emerges from this process. And I think it's important that people be reminded of the very significant differences between Democrats and Republicans. And the best way to do that is look at the policies of the Clinton administration and the difference it made in the lives of so many Americans, and compare that to the choices that are being made in this administration. It's a very different vision of the kind of country that we should have in the next generation.

WOODRUFF: Is there a leader of the Democratic Party right now?

CLINTON: I think that there are certainly two leaders, Tom Daschle in the Senate and Nancy Pelosi in the House. And then we will have a leader emerge from this nominating process as our presidential candidate.

(END VIDEOTAPE)

"Live From," CNN, 6/30/2003

JUDY WOODRUFF, CNN ANCHOR: Former first lady and now New York Senator **Hillary Rodham Clinton's** new book has been an instant best- seller with more than 1.5 million copies now in print. The reviews of "Living History" have included tough critiques by both "The Washington Post" and "The New York Times."

When I spoke with Senator Clinton late last week, I started by asking her if she thinks she should have been more candid in the book.

(BEGIN VIDEOTAPE)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I feel very comfortable about the book. And I've now probably, I guess, shaken hands with and signed books for maybe 12,000 people who have come to see me at these various book signings. And people are starting to come up and tell me about having read the book and saying, "Gee, I related to the story of your mom's life." Or, "I had the same kind of experience with my hair." Or whatever the note might be.

I hope that people will read it and draw their own conclusions. And that seems to be what's happening.

WOODRUFF: Do these criticisms, these reviews, do they ever get to you, or does it just roll off the back?

CLINTON: No. I mean I think people have -- you know, there have been a lot of positive reviews, there have been negative. That comes with the territory. But for me, what's important about this book is that it's my story that I've tried to tell in my way. And of course I care a lot about politics and policies, so people who don't like to read about adoption or foster care, or health care or welfare reform and think that it sounds political, you know they might skip those parts of it.

But those are really important matters to me, because I think politics matters. I think it really does count as to whether you're trying to help people, you know, get a better chance in life or not. And whether you're trying to help the circumstances of people's lives improve. And I have cared about that long before I've had the privilege to be a senator.

WOODRUFF: Just one other thing. I know you've been asked this question before -- I'm sure you've been asked this question before, but a number of people have said to me, all right, she's a smart woman, she's a canny woman. She's been around. How could she have been so surprised and so shocked when her husband came to her that August morning in 1998?

All the indications were there, the handwriting was on the wall. You may be sick of the question, but there's still women out there looking at you and saying, Hillary Clinton, here she is, one of the smartest people around, how could she have not known?

CLINTON: Well, in the book I explain that by January of 1998 I had been accused of so many things that were totally untrue, and I had seen headlines about myself, I heard news reports about me that I, frankly, had stopped believing a lot of what I read because I knew that there was no basis and fact.

So when these stories started coming out and my husband said that they weren't true, I really did believe him because my view was that after what we had gone through and so many of these stories, I wasn't going to take the word or the charge of somebody else. And, you know, it was a terrible disappointment and a very personally wrenching time to be told by him. But until he told me, I was not prepared to believe it because I just thought it was part of the ongoing effort that I had personally been subjected to and that I found so distasteful, that I just really put it out of my mind.

WOODRUFF: A lesson there for other women?

CLINTON: I think the lesson here is that you have to do what is right for you. And that is my overriding message in this book. You know, I've had friends who have faced tough times in life, in marriage, in their jobs. They've made choices that I thought were responsible, but weren't the ones I would have made, and I'm sure vice versa.

But what I've fought for and really tried to stand for is that women now are full human beings with all that that means, to take responsibility for ourselves. So I made a decision

that I thought was right for me and my family, and I will support other women doing the same.

WOODRUFF: Do you ever get mad at your husband that you have to answer these questions at all?

CLINTON: Well, you know, as I write in the book, I do consider these to be personal, private matters. I wish they had never been forced into the public, but unfortunately they were for partisan political purposes, as we know.

It should never have happened. It's regrettable that it did, that it put my family, our country through this. But since it was made public, then I had to address it. I couldn't very well write a book about those eight years and not talk about my reaction and experience.

(END VIDEOTAPE)

WOODRUFF: Senator **Hillary Rodham Clinton** on her book, "Living History."

"Crossfire," CNN, 7/9/2003

BEGALA: Oh, my God! Ladies and gentlemen, Senator **Hillary Rodham Clinton!** Welcome.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well...

BEGALA: You brought some accoutrements there. Mrs. Clinton, thank you.

CLINTON: Well...

BEGALA: I'll be -- I'll be...

CLINTON: You know, I really -- I really want you to notice, Tucker, that this is a wingtip. It's a right-wing wingtip, and...

(LAUGHTER)

CLINTON: ... and I was a little worried about, you know, how you were actually going to be able to eat and digest a shoe. I didn't even know what kind you were going to choose, but...

CARLSON: Thank you.

CLINTON: So I had a friend of mine, Colette (ph), who's here somewhere from New York, do this for you because I figured you've had enough embarrassment and humiliation over this episode.

CARLSON: Yes, I have. Thank you.

CLINTON: That the least I could do was to, you know, give you something a little...

CARLSON: Well, you are awfully gracious. I appreciate that, Senator.

CLINTON: Thank you so much.

BEGALA: Now would you like to do the honors here, Senator?

CLINTON: Well, I -- really -- don't you think it's Tucker's...

BEGALA: Tucker, which piece of the shoe are you going to start with?

CARLSON: Well, obviously, the heel.

(LAUGHTER)

CLINTON: Here you go.

(CROSSTALK)

CARLSON: ... join me in...

CLINTON: Now, though I have nothing to do to help with the tie you also promised to...

CARLSON: Yes, ma'am. I...

CLINTON: I'll wait and watch how you handle that.

CARLSON: Thank you. I -- I'm going to get a marzipan tie, and I think they make them.

CLINTON: Here you go.

CARLSON: And congratulations on your book selling a million copies.

CLINTON: Thank you so much.

(LAUGHTER)

CARLSON: I have to say I -- I didn't predict it.

CLINTON: Well, there's a lot that you've been wrong about.

BEGALA: Now were you surprised at the velocity, though? It's just a month.

CLINTON: It is just a month, right.

BEGALA: I had faith you'd sell it. I was surprised that you did hit a million in one month.

CLINTON: I was, too. I was, too. But it -- you know, it's been very exciting, and I've now probably signed probably 15,000 of them for people who've come through to see me in various places, and it's really been wonderful to hear what people have to say, and it's so positive.

(LAUGHTER)

(CROSSTALK)

CARLSON: ... who, in fact, voted for you, is a big Hillary Clinton fan, said there's no way she'll sell a million copies, and I thought if my left-wing friend thinks that, you know, I believe him.

CLINTON: That's why I...

CARLSON: ... That's why I believe one of them.

CLINTON: That's why I'm a centrist.

(LAUGHTER)

BEGALA: Now you inscribed -- this is the one-millionth book. The bad news, Tucker, is Bob Novak bought the one-millionth book. He wanted you to...

(CROSSTALK)

CLINTON: No. Actually, I said that, you know, here..

CARLSON: Well, that is so very nice.

CLINTON: Tucker, you're number one million in my book.

(LAUGHTER)

CARLSON: Thank you.

(CROSSTALK)

CARLSON: Thank you very much.

CLINTON: Thank you. Thanks, Paul.

BEGALA: Thank you, Hillary.

CLINTON: Thank you all very much.

(CHEERING)

BEGALA: Well, Tucker, our (UNINTELLIGIBLE). What do you think?

CARLSON: Well I would say that's remarkable, Paul.

BEGALA: You were surprised, really?

CARLSON: I was actually shocked. In fact my first thought was that woman looks a lot like **Hillary Rodham Clinton.**

(LAUGHTER)

BEGALA: Hillary and James Carville and I cooked this up actually weeks ago. And I'm thrilled that the staff hear at CROSSFIRE kept it a secret. It shows that liberals can be trusted with nation security secrets.

(LAUGHTER)

CARLSON: I'm actually shocked. I have to say. I'm glad to know I am one million in her book. That is fantastic.

BEGALA: Thanks again for Senator **Hillary Rodham Clinton.**

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON MILITARY NOMINATIONS, 7/24/2003

CLINTON: Thank you, Mr. Chairman. I apologize I couldn't get here earlier. We had another hearing on biodefense in another committee.

But I want to thank General Myers and General Pace for your service. And you came on board at a very difficult time in our country's history. And I am personally, and I am sure on behalf of my constituents, very grateful.

And I also want to commend you on behalf of the performance in both Afghanistan and in Iraq. And particularly the planning of the mission in Iraq that did limit and minimize the kind of collateral and civilian damage that might have otherwise occurred. And I think that's a great tribute to you and to the men and women you are responsible for commanding.

I want to focus for just a minute on Afghanistan. Obviously, our immediate concern, because of the headlines, is the continuing dangerous environment in Iraq and the challenges of rebuilding and reconstructing that devastated nation.

However, as we all know, we do have thousands of U.S. troops in Afghanistan, including from the 10th Mountain Division from Fort Drum, New York.

CLINTON: And the assessments I receive are quite mixed. I'm told that the only secure place in the country, depending upon the time of day, is all or part of Kabul.

And that we have made alliances with a number of warlords out of necessity in order to have some effort ongoing to pacify and bring order to certain parts of the country, but that there has been a resurgence of Taliban/Al Qaida activity that is troublesome.

So I would like to ask each of you or both, however you chose to respond, what is your assessment of the security situation in Afghanistan? Do we have enough troops either American and international to provide significant control? How important are these reports that the Taliban is regrouping? And finally, if you know at this time, what role will the 10th Mountain Division troops continue to play in Afghanistan?

MYERS: Would be happy to, Senator Clinton. There is -- often it's alleged we don't pay much attention to Afghanistan, but in fact there's been a lot happening in terms of Afghanistan in trying to continue to make that country more secure.

You're right, we have about 10,000 U.S. forces over there as part of the Interim Security Assistance Force in Kabul, which is now a German-Dutch mission, will turn this September-October into a NATO mission. There are over 5,000 international forces supporting that.

And then on top of that, we have somewhere between 2,000 and 3,000 coalition forces supporting, in this case now, 10th Mountain Division over there. So we have substantial forces. The security situation in the country, if you map out where most of the incidents are happening, it's in the area along the Afghan-Pakistan border starting about where Kabul is, the Khyber Pass and down south all the way to a major incident we had, down to the Spin Boldak area, which is the border south of the ungoverned areas in Pakistan in the more normal traveled areas there between Afghanistan and Pakistan in the south, south east.

That's where the hold-outs are. If the Taliban is going to get traction, that's where it's going to be. We know they go back and forth across the border fairly freely, and that is a problem for us. We have gotten good cooperation from Pakistan in that regard. And that's where the focus of the great folks out of Fort Drum, they're going to focus on that area. That's where the Italians are focused. We have an Alpini (ph) brigade in there that's a 1,000 person strong that are focused in that area, the Gardez, the Khost, area, which is the area I'm trying to describe.

Do we have enough troops? I think we do have enough troops for the situation right now. What we've tried to do is create these provincial reconstruction teams that are not large, but that bring sort of all the instruments of national power from security, to aid, to construction to the various communities. And we hope to in the next couple of months to have one of those in each of the provinces in the major cities. Some are led by the U.S. One is led by the U.K. Other countries are looking at leading them as well.

These are important ways to continue to show the improvement of the security situation in bringing hope and real things like wells that provide clean water, like schools where folks can go to school, medical faculties and so forth.

That's the idea of these reconstruction teams. On top of that, we have trained I think now the number is up over 4,000- 4,500 -- Pete, correct me if I'm wrong -- about 4,500 Afghan national army folks, several companies of whom are out with our forces right now.

So we're trying to put an Afghan face on the security picture that the average Afghan sees. By the way, these forces are being received by the Afghan people, very well, as a matter of fact.

So there's a lot more, clearly a lot more to be done.

I would have told you, had it not been for the report I read today, that since June we've had a decrease in security incidents, and we actually expected the opposite to happen. Here in the last week, they've started to increase again, but it does ebb and flow. We had a successful operation, killing 25 Taliban down in the Spin Boldak area. And we will continue to work that.

As you know, there is also suspicion that some of the high-value targets that we're after are in that same area. And we will continue to have to go after them.

So I -- it's uneven through the country. I would say three-quarters of the country is pretty much secure. There is that part on the Afghan-Pakistan border that is not so secure that we have to deal with.

CLINTON: General, I know my time has expired, but another element of this that I would...

WARNER: Senator, this is your first round, and I think Senator Reed and I would indulge you to have a question or two in addition.

CLINTON: Thank you, Mr. Chairman.

Mr. Chairman, there is another element to this that I am concerned about. And perhaps we could get a written report or maybe this is more appropriate for a classified briefing.

But I am also hearing reports about increasing presence of Iranian interests in Afghanistan and that not only with respect to political, diplomatic, quasi-military presence but also doing work in the country, reconstructing roads, building schools, really planting a flag, at least in western Afghanistan. And I find that concerning. And so it would be very helpful for me to be given some additional information about what we know with respect to Iranian actions and intentions concerning Afghanistan.

And then the related issue with respect to Pakistan. I agree with you that for many of us, we've gotten much more cooperation than we ever thought possible. But I am still concerned about the cross-border movements and also the level of instability within Pakistan and ongoing efforts to destabilize the Musharraf regime.

So, again, any update you can give us on that just to keep us informed so that we have a better idea of what the real threat and risk ratio is, I would appreciate that.

And finally, with thanks to the chairman. I am also still, along with so many of my colleagues, perplexed, which is the word that General Abizaid used before us, concerning weapons of mass destruction. And I would be remiss if I didn't ask both of you, given your cumulative experience, your expertise, as to what is the most reasonable explanation.

I know that the chairman and I talked on several occasions about our concerns regarding what would happen to our troops when they crossed the Tiger (ph) or the Euphrates and the likelihood of the use of chemical weapons and the necessity of making sure they had the proper equipment and were as ready as possible.

It is just bewildering, I guess. And for those of us who have followed the intelligence reports consistently now going back a number of years, it just doesn't make sense.

So I would just appreciate your take on what happened. How do we answer this question to ourselves? There are obvious explanations. It never was as much as we thought it was in our intelligence, which is off by 90 degrees, it was there. It was destroyed. It is still concealed. Or worst of all options, it's been privatized, in all or part, which is what I fear most.

But I would appreciate your expert assessment, briefly, on that question.

MYERS (?): Senator Clinton, let me go back to Pakistan for just a minute. I think it's worthy of noting that of the senior Al Qaida leadership that we have captured, using "we" very broadly, most of them have been captured by the Pakistanis or with Pakistani help, not insignificant.

To WMD. Clearly, UNSCOM's U.N. inspection regime before the last one, the recent inspection regime, in their reports, the U.N. Security Council resolution, there was no doubt that Iraq not only had a program but had material, and they hadn't accounted for it. And it's my belief that we're going to find good evidence of a program. And it's also my belief that we're probably going to find material as well. It's quite possible.

We certainly went into combat on March 19th of this year thinking we were going to be subject to chemical, and perhaps biological, attack. And that's why our soldiers and our Marines and everybody on the ground there and the air crews were prepared for it. And they fought in there, as you know, fought in their protective gear.

It's not something you do voluntarily because it's a little bit cumbersome. And it's extremely hot. And while the temperatures were only in the 80s and 90s, only in the 80s and 90s, this was quite a burden on our forces. But the commanders made that decision based on our knowledge of the threat at the time.

So why haven't we found it? Well, first of all, it's been about 100 days since the end of the major combat operations. And I have always stated, and my belief is, that it's going to take some time. This is a regime that has practiced denial and deception. They are at the graduate level in denial and deception.

Witness the reports the other day about one of their nuclear scientists that was told to go bury some centrifuge parts under his rosebush.

MYERS: Now, if he hadn't have come forward and said they told me to bury these parts under this rosebush, it's unlikely we would have uncovered them.

I think the same thing is true -- they have compartmented this so well. And we know they took parts of their program, their documentation, perhaps the material, and they spread it out in a land the size of California. So it's going to take time. It's going to take us the same thing that got us the two sons. It's going to take Iraqis coming forward saying here it is or here's what I know.

We have a very large organization, the Iraqi Survey Group, led by General Dayton, with guidance from Dr. Kay and they are progressing down that road.

We're going to have to wait and see in the end. But my personal belief is we will still find the evidence.

I share your concern that the worst of all outcomes -- and the reason we went in there is that we did not want weapons of mass destruction to fall in terrorist hands. And we have got to be very alert to that. I think we have the intelligence apparatus and the forces and people working this so hard that we are going to try to keep that from happening. It's totally a danger.

WARNER: The line of questioning by the senator from New York with regard to Afghanistan is a very important part of this record. I think we should also have contained at this point in the record, initiated by the senator from New York, the latest reports on our continuing emphasis on trying to apprehend bin Laden and Sheik Omar, the two leaders.

Our conversation, that is you and I and with General Pace, I frequently bring this up in a private context. But I think you should emphasize today there has been no diminution in our effort to try and apprehend those two individuals who are in all probability are holed up in a piece of geography in this world unlike anything else in terms of its inaccessibility whether it's human people on feet or just electronics or the likewise.

MYERS: Chairman, that's right. And we continue, worldwide, to go after the leaders of the Al Qaida, any members of the Al Qaida we can find. But the leadership is of great interest to us and that has not -- those efforts have not stopped, clearly.

WARNER: Thank you.

Do you have something to add, General Pace?

PACE: I do not to that, sir, thank you.

WARNER: Senator Reed, thank you for your patience.

REED: Thank you very much, Mr. Chairman.

Senator Clinton has mentioned the 10th Mountain Division, gives me an opportunity to say they are also great soldiers, led by a great commander, Buster Hagenbeck.

I'd like to return to the situation in North Korea, which the chairman opened up. To me it's the most grievous threat we face. As General Myers, as you pointed out, this is a regime that is -- has shown in the past their willingness to proliferate. They have declared publicly that they are reprocessing nuclear rods.

Ironically, we conducted a preemptive attack against a nation that had very little military capacity relative to North Korea and that was stoutly denying that they had weapons of mass destruction. And to date we haven't found any.

That as a prelude, the war plans for North Korea are classified, naturally. But the public sources I have seen, and they are dated and I'll admit that, suggest that we would need upwards of 200,000 or more troops to conduct the operation. And because they are dated, I would assume we probably could get that number down a bit given our situation awareness, precision weapons, communication superiority. But still, we're talking at least, my estimate would be 100,000 or more troops.

Given the deployments today, where are we going to get those troops without cutting back on our effort in Iraq or Afghanistan?

MYERS: Senator Reed, without going into the classified parts of the plan, one of our responsibilities to the secretary of defense is to ensure that as we use our forces around the world on the global war on terrorism, in the Balkans, wherever it is we are called upon to use them, that we continually assess our ability to fulfill the defense strategy and the capabilities that are outlined in the QDR and in our national military -- national strategy, national security strategy.

MYERS: Clearly, one of the major parts of that is our ability to defend the peninsula, as we talked about earlier. And so as we developed the rotation plan, we looked very carefully at our ability to respond to a situation on the peninsula, a North Korean attack, which would be a worst-case sort of situation. And we have designed into the Army's rotation plan the kinds of units and the particular timing to make sure that we maintain the capability to fulfill the war plans as they are being written as we speak right now by General LaPorte over in Korea.

REED: Mr. Chairman, because of the nature of this problem, I think it would be very useful if in a classified setting we had a brief on the plan and a laydown of the numbers. Because I think our responsibility is to ensure that -- you know, we can't conduct the battle, but we sure as heck have to make sure you have the forces -- and not just the forces, but the critical items, the airlift, the high-value items that are always...

MYERS: Sure, all the enablers that you need.

REED: Right.

MYERS: You bet. And that's something we look at. We are going to -- we assess this. It started out periodically because, you know, we are in a global war. And we think it's part of the Joint Chiefs of Staff responsibility to look at our force laydown; can we do what we said we're going to do in our national defense strategy and our defense strategy? And then where is we have risk? And what risk are we willing to accept? And how do we mitigate it?

REED: And I think it comes down, as you point out, General, to what risks are you running. And that's a judgment, I think, that you have to make, but I think it's something we should be aware of. And I believe only in the context of the detailed laydown of the numbers.

MYERS: We'd certainly have to do that in a classified setting.

REED: Indeed, indeed, indeed.

PACE: Senator, to help just a little bit on that. As you know, we've got about 220,000 U.S. in the Gulf region right now out of a force of about 1.4 million. As the chairman has pointed out, we war- game ourselves constantly on forces available versus potential employment.

Of interest also, you mentioned some of the high-value things that we have but of which we have limited numbers. Because the war in Iraq, the major battle, is completed, a lot of those reconnaissance- type assets that we use to find major formations have been able to return to the United States and are undergoing reconstitution. So in some ways we have a better position today because of the results of the war in Iraq.

REED: I think all of those factors would be useful to get a more detailed evaluation.

PACE: Yes, sir.

REED: Let me -- final question.

WARNER: Senator, I will consult with Senator Levin, but I think we will ask the department, particularly the JCS, to give us the usual briefing with regard to advising Congress, just short of the war plans, which is an area which Congress and the executive branch has traditionally recognized that that is a situation that's shared in a limited way.

REED: Thank you, Mr. Chairman. I appreciate that.

Just a final question. Prior to the initiation of hostilities in Iraq, Secretary Rumsfeld indicated that he had bullet-proof evidence that there were Al Qaida elements within Iraq. I think most commentators recognize that there were certain elements in the Kurdish area that might have had allegiances through Iran to Iraq. But the implication, obviously, of the secretary's comments was that within Baghdad, within the control of the Saddam Hussein regime there were Al Qaida elements. Have you found any of those elements?

MYERS: The elements that we know have a direct connection to Al Qaida are the Ansar al-Islam elements that I think you were referring to because they were up there in northeastern Iraq before the Iraqi conflict began. They were in the process of developing poisons for sure, we found evidence of that.

REED: But General, that was an area that was controlled by the Kurds who are nominally our allies.

MYERS: No, that area was not controlled by the Kurds. It was controlled by Ansar al-Islam and other people in that area that favored them. The Kurdish forces had tried to take that area over several times and were repulsed and lost lots of forces.

REED: I stand corrected. Was it controlled by Saddam Hussein's forces?

MYERS: That is a question that I haven't seen answered satisfactorily. We do know, and I am worried about the classification of this, but maybe it's not as important if there is no more Iraqi regime. We do know that Iraqi intelligence service had people involved back and forth. And we do know that.

And we also know today that Ansar al-Islam is active inside Iraq. We know that and we know that they have perhaps several hundred people. We rounded up seven of them in Baghdad the other day. It's one of the things -- when you talk about security situation, you have to kind of treat them a little differently than you do the remnants of the Iraqi regime because they are likely to fight a little more sophisticated way and a little more aggressively.

REED: To your knowledge, were they in Baghdad prior to our military operations?

MYERS: I don't know.

REED: Thank you.

MYERS: What we do know prior to military operations was that the leader, one of the leaders of Ansar al-Islam was in Baghdad for medical treatment and had gone there from time to time.

MYERS: We know that.

REED: Thank the gentleman.

WARNER: Colleagues, it is the intention of the chair to wrap this up. But I'm going to remain to do so. Does the senator from New York wish to ask an additional question before I do the wrap up?

CLINTON: Mr. Chairman, if I could add one more concern to the questioning about Afghanistan.

WARNER: Yes, of course.

CLINTON: A July 9th front page article in the Washington Post reported that poppy cultivation levels in Afghanistan appear to be back at 1999 levels, the highest level ever reached before the Taliban banned the poppy cultivation.

And in this article, it pointed to the lack of a rule of law, and even that the wheat donations by the international community could perversely be fueling this recent upsurge. And today's Christian Science Monitor reports that the resurgence of the poppy plants could unravel the relationships between warlords and the U.S. military.

And I know that in your written answers to our pre-hearing policy questions, you assert that despite some progress, we have a ways to go in Afghanistan. And so I think we also need some additional information about how the U.S. military and related assets could be undertaking a counter-drug and stability mission to, you know, not just address the threat posed by the increased poppy cultivation, but all the lawlessness that will flow from it.

You know, once again, we'll be back into a situation where we have warlords, we have smugglers, we have all kinds of challenges in trying to bring back law and order. And we know how difficult that is. We've not won the drug war in the United States.

You know, we've done a lot to try to help Colombia. We have a long way to go there. And is there some way that we can, so to speak, nip this in the bud before it gets full blown and we face additional security challenge on top of everything else we're confronting?

MYERS: Senator Clinton, you're quite right. This is a problem inside of Afghanistan. It's been a problem that's been addressed primarily by Britain. They've been the ones that have had the lead on this. It's a complex problem. There is an economic dimension to it. There is the warlord dimension to it.

Certainly, we know where most of those products go, and they go up into Europe. And that's of great concern.

So it's one that has to be dealt with by the international community. And we are addressing it on several fronts, but the U.S. military at this point has not been one of the primary tools to use on this particular issue. It's been the Brits.

Do you want to add anything?

WARNER: Thank you very much...

CLINTON: Thank you, Mr. Chairman.

WARNER: ... Senator Clinton.

Gentleman, I'll conclude with a couple of questions here. The conference between the House and the Senate has before it a variety of proposals concerning modifying the end strengths of the Army, Navy, Air Force, Marines.

Has anything developed in the course of events here of recent, which modifies the positions that each of you have taken in previous testimony and the testimony of the secretary of defense on those issues that should be taken into consideration by the conference at this time before, hopefully, the conference report can be put together and acted upon by both houses in the course of the coming weeks?

MYERS: I'll start, and then I'll turn it over to General Pace. I think the secretary said he is not, you know, necessarily against end strength. I can't put words in his mouth, but not necessarily against end strength increases. But I think we all share the concern that...

WARNER: You know, we have always as a long tradition of this committee, when each of you were confirmed, asked for your personal views. And I fully respect your allegiance to the secretary as a civilian control of our military. But I think your personal views would be a great advantage...

MYERS: And I'm going to give you those. And I share that we should not -- we shouldn't be opposed to the issue of end strength increase. We've got to look at this very carefully. We talked about it earlier. One of the things we've got to do is make sure if we have somebody in uniform, they're doing what somebody in uniform should be doing, in that we don't have people in uniform doing what others could do, civilians and so forth.

And you see all sorts of numbers. But there are several tens of thousands that could be -- the jobs they're doing could be done. And we're looking at that as a matter of fact in lots of the support areas.

That's one thing that has to happen. The next thing, when we talk about end strength, we need to rebalance our active duty and our reserve component mix.

MYERS: And part of the force is particularly in high tempo, high personal tempo, high operations tempo because we don't have that mix right. So that rebalancing is a piece of it.

We also need to look at it -- when we talk about end strength increases, and our commitments -- we need to look at our commitments, the other part of that equation. And are we in places where we have a vital national security interest? And given that we're in a war on terrorism, should we reduce our commitments in other places?

As you know, there's been an effort by the department to end our commitment in the Sinai. We've been partially successful there. On and on it goes. It's very difficult to get out of. We've been in the Balkans now -- somebody walked up today and said, "You know, we've been in the Balkans eight years."

Well, I had not -- I just hadn't thought about it in that way. But since '95, we've been in the Balkans in varied numbers. And generally, they've been decreasing. But we've had very significant forces in the Balkans. And the question is, of all of those commitments, which ones could we stop doing, get others to do to help our, the end strength -- inform (ph) the end strength equation?

The other thing I would say, we talked about it at length, and that's the internationalization of the -- of our efforts. And we're doing that. And then in places like Afghanistan, and in Iraq, as time goes on, we're going to bring on more Afghan national army, Afghan police, Afghan border patrol. In Iraq, we've talked about the Iraqis we're trying to bring on board, which I think all of that informs us about where we are.

And then one thing that goes through my mind is that the most expensive thing we can do is bring on a person on active duty in end strength. It's 60 percent of the personnel account. And the medical and all of that, it's 60 percent of our budget. It's a very expensive thing to do. It takes time. There is lag time to get them on board. And then of course, there's the legacy of the budget impact in the out years with this larger force.

So I think we need to look at those others things I just mentioned before we come to the conclusion that an end strength increase is needed. That's my personal belief.

WARNER: General Pace, do you have views here?

PACE: I would add, if I may, Senator, that in addition to the scrubbing of the 300,000 billets, give or take, that we think are being performed by military that might be done by others, in addition to the active reserve component that General Myers has mentioned, we also need to complete the process that we're going through right now of our scrub, of our war plans. And we've just shown ourselves convincingly that the war plan that was on the shelf for Iraq and the war plan that was executed -- the war plan that was executed used about 60 percent of the force that we had thought we needed for the war plan that had been on the shelf.

We're going through the same kinds of analysis right now for Korea and elsewhere in the world. And as we do that as we absorb the lessons that we've learned on our precision use of weapons and the speed with which we employed our forces, we are finding that we can in fact have overwhelming combat power with fewer numbers of individual soldiers and Marines on the ground.

So I believe we have more work to do there before we can come forward and say we need more troops, sir.

WARNER: A vote has been called, and I must depart. But I'm going to ask several questions for the record. And then one last one here and I'll remain. But the phrase, the United States is stretched very thinly in terms of its armed forces, that's causing really concern in the areas of family, on the rotation issues, on the ability to recruit adequately for active Reserve and Guard.

I would like to have you address those issues in a written response at your earliest convenience.

Secondly, this committee has had, I think, a remarkable record in supporting the use of unmanned vehicles. We have gone through another very important chapter of utilization of such vehicles here in both Afghanistan and Iraq.

Again, your views on the momentum with which those programs should be moving forward and the support that is being offered by the Congress and I think could increase if such a request were made.

Also, the concept of using our forces jointly. It's been a magnificent chapter in both the Afghanistan and the Iraqi campaigns. Where we are in the desired goals for achieving jointness, are we there? More needed to be done? And how the Congress can facilitate that.

Lastly, as we sit here going through the whole world and so forth, the publicity being given to this, I think, extraordinarily successful operation of the location and then the securing of the sons of Saddam Hussein.

WARNER: The critics are -- I don't mean to do that in a pejorative sense -- but the people are asking, "Could not this operation have been conducted in such a manner as to give every opportunity to acquire them alive," hoping that we would receive a good deal of information.

Now drawing on my own limited experience, and as I look at the facts that are before us and General Myers, you and I discussed this in some detail last night, it seems to me the on-scene commanders acted with prudence and professionalism. They made a very conscientious effort to take them alive. That brought harm to their own forces, where we experienced four being wounded. They repeated the attempt and then came under fire again. And then it was after that utilization of such ordinance that resulted in the death of all but I think one inside. And that person, I think, had an opportunity, the young son to survive. But he, as I understand it, exercised force by shooting at our forces.

Now I'm going to ask General Pace to lead off in the response because you spent so much of your professional career with ground force elements. And what is your professional

judgment based on the facts as you know them today of how this operation was conducted? And what response should be given to those who raise legitimately the questions: Could it have been done in another way?

And touch on the fact, I think some of us were surprised to learn that there was a little bit of a fortification within this house of the living spaces. I mean, clearly, long before this operation was undertaken, someone made the decision to fortify part of this house and we're now learning that other of the houses in Iraq were similarly fortified, giving rise to the assumption that Saddam Hussein anticipated events like this could unfold. And that those trying to hide themselves from the coalition forces could perhaps survive better in some modification to the house that would enable a fortified structure.

Also, having watched the search for Noriega, I remember Senator Nunn then chairman -- I was ranking member -- we went to Panama and watched the Army as they pursued that. And he had safe houses where he knew about them and other facilities where he evaded us for some period of time.

How do we know that as part of the fortification, they didn't do an underground tunnel to exit some distance away from this house and then be able to escape? So this will be debated.

But right now, it's a hot debate out there. I think it's important that this hearing have your views, General Pace, and those of General Myers, on this question.

PACE: Mr. Chairman, not surprisingly, you've touched on each of the most important parts of that operation. Everything I've read...

WARNER: It came from some of the training that you've had, although far modest my career, in comparison to yours.

PACE: Sir, everything I've read and everything I've been told, tells me that the commanders on the ground acted exactly correctly in this situation. They did in fact, as you pointed out, offer the opportunity for those inside the building to surrender. They thought they had the opportunity to capture or kill Saddam's two sons, but until the operation was complete and until confirmation, they did not know 100 percent what they had.

They did offer the opportunity to surrender. As you pointed out, they made more than one attempt to enter the building and to offer the opportunity to surrender.

PACE: Some of our soldiers were wounded in those operations. Clearly, with the amount of fire coming back at them from inside the building, force was appropriate and should have been used and was used. As you pointed out, there is no way of knowing whether or not there might have been tunnels or other routes of escape.

The question that I would to anyone who might ask, why it is that we killed them is -- what questions would you be asking if they somehow managed to escape? I think that given the battle as it unfolded over three-plus hours of combat, the strength that was shown initially to afford them the opportunity to surrender, and then the power that was used appropriately to protect our own sons and daughters who are going into combat was exactly what those commanders should have done.

WARNER: When you briefed me last night, General Myers, you showed me how that house was collocated with other private dwellings around it, so we had the concern of other occupants in their respective houses.

MYERS: Absolutely right.

WARNER: The second part of that question -- we've been handed the wire stories and other information that these pictures have now are in the public domain worldwide, and last night when I was on a national television show, I was asked the question about whether or not these pictures should be released. I didn't presume that I would be able to make that

decision last night, but I did say it would be my hope and expectation when the decision to release them or not release them was made, it would be done with the careful analysis of how best such a decision would protect our forces -- the coalition forces -- against further deaths and wounding that we're experiencing every day and I hope that was predicated in that decision.

General, can you quickly answer it. They're holding the vote for me so...

MYERS: Well, sir, it was and I think as we discussed last night in your office, the issue of how and when to release those pictures was one that was carefully considered by Ambassador Bremer, by General Sanchez, you know Abizaid, and the folks on the ground in Iraq. And they used their best judgments and the recommendations they got from the people that counseled them on how to do that. And clearly, I think we've done it in a dignified way where we don't denigrate the bodies and we don't allow any other atrocities to happen to those particular bodies and I think it was done appropriately.

WARNER: Well, it sends a strong message to those still in hiding -- be it Saddam Hussein and others, that hey, morale is good among our forces...

MYERS: It is very good.

WARNER: We are able to conduct the toughest of operations and if you wish to have the fate that the others experience -- the two sons -- stand by.

MYERS: Absolutely right, sir.

WARNER: We've concluded this hearing. And before I hit the gavel, I would note that, in just but a few years, this room will be 100 years old and many, many hearings have been held in it. But this has been among the more important -- if I might say -- because we're looking at a future of our nation, and indeed, the free world which is marked by uncertainties of a magnitude really never experienced before in contemporary history.

And we're fortunate to have men and women like yourselves wearing the uniform of our country, working with your counterparts in uniform in other countries taking the risk to themselves and their families to ensure that freedom -- as we love it here in the United States -- can be protected. Not only here at home, but to the extent we can in conjunction with our allies be provided beyond our shores.

Thank you, gentlemen.

MYERS: Thank you, Mr. Chairman.

END

U.S. SENATOR JUDD GREGG (R-NH) HOLDS HEARING ON BIODE-FENSE READINESS, 7/24/2003

CLINTON: Thank you, Mr. Chairman, and thank you for holding this hearing. I can't imagine any more important subject, and I want to join with my colleagues in thanking and congratulating our four witnesses for their service to our country. I am deeply impressed and very grateful.

Let me start with asking that my full opening statement, if it could, be submitted to the record, Mr. Chairman.

Dr. McClellan, let me first thank you. Last night was a red- letter day for American children and clinicians, physicians, nurses, and others. We finally passed, by unanimous consent, the Pediatric Research Equity Act of 2003, which will add another tool in the toolkit that Senator Murray was discussing about how we best prepare our children and how we get adequate information about the safety and efficacy of drugs that are prescribed for children.

And I want to thank the chairman and the ranking member and certainly my colleagues, Senators DeWine and Dodd, for their perseverance. I particularly want to thank you, personally, and your staff for your technical input and your personal involvement.

I'm hoping that we can count on your help in the House. Obviously, now that we've passed it in the Senate, we need to get it through the House, get it to the president to be signed. So I would ask that you do everything possible to help the House, as you did with us, in moving this important legislation forward.

And may I also assume you are supporting undisputed authority for the FDA to enforce pediatric studies in supporting the Senate in the position that we've taken?

MCCELLAN: That's right. We are strong supporters of the bill that you and your colleagues here worked to pass. We deeply appreciate your efforts to get that done.

We need the pediatric rule back in place for all of the reasons that you mentioned, and we will -- Secretary Thompson and I have issued a statement today urging rapid action to get the bill to the president's desk, and I hope that will happen quickly. We will work just as closely with the House as we worked with you to get this done.

CLINTON: Thank you so much. And I'd be remiss if I didn't thank Dr. Bouchi (ph) for starting down this road with me and others so many years ago. I am very grateful that we are nearly at the destination point.

I have a few more questions that I would like, Dr. McClellan, to submit for the record to receive responses on.

Let me also turn to an issue that Dr. Gerberding talked at great length about in her written testimony, and I think it's one of the critical issues. The chairman referred to it in his remarks, and he, of course, is in a very strong position to offer the leadership needed in his joint position here and on the Appropriations Committee, because the recent Partnership for Public Service report entitled Homeland Insecurity: Building the Expertise to Defend America from Bioterrorism, as you point out, had some startling figures about the impending loss of medical and biological experts who are on the road to retirement in the next five to 10 years.

Do you think, Doctor, that the Epidemic Intelligence Service and other federal training programs will be able to provide enough personnel to fill this potential workforce shortage? And, if not, or if in doubt, what are some of the activities we should be pursuing right now to get in a position to avoid this collision course I see us heading toward?

GERBERDING: I'll try to give a short answer, and I think it's a long answer that would be most informative. I don't think that the current system is adequate to sustain the public health workforce, particularly the workforce that we're going to need in five years, because the skill set is changing.

We need informaticians. We need molecular biologists. We need public health experts in genomics. And so there's a whole new generation of skills that we need for terrorism or for other issues.

There are some short-term steps that we can take, and just like I think you've heard from all of my partners here in HHS, we are developing a strategic framework for workforce

development throughout the entire public health system, which includes going way back to junior highs and high schools, where we're engaging kids in the concept that public health is a great profession. We had Olympiad winners this year in epidemiology in the science contest in the field of epidemiology.

So we're starting way back at the beginning and trying to interest people in this career pathway, working with colleges and universities to support summer internships and training for students to make this field exciting, working with minority health organizations to get those students involved and to deal with some of our disparity and diversity issues, working with the schools of medicine, schools of public health, and other professional academic organizations to develop bona fide curricula and training.

And a very immediate step that we will be taking at CDC is to implement training grants in public health so that post doctoral students who are interested in careers in public health have an opportunity for a research experience in the same way that they would if they were interested in infectious diseases or other fields of endeavor. So we will be creating some training grants in this field. These are all going to take a long time to come to fruition, but if we don't start strategically and with the long view in mind, in five years, we will be in a crisis state.

At the other end of the pipeline, of course, we want the kinds of flexibilities that Senator Gregg was making reference to so that we can give retention bonuses and we can compete salaries in the critical job classifications that right now government is not very competitive in. So I think if we work together on this, the problems are going to be similar across our agencies, and we'll probably be able to come up with a framework that makes some sense. I'm sure we'll have Secretary Thompson's support in that, but it's nice to know that you're interested.

CLINTON: And I think the concern extends down to state and local public health departments as well as the federal workforce. The Council for State and Territorial Epidemiologists tells us they'll need to train an additional 1,600 epidemiologists over the next 10 years just to prevent a worsening shortage of professionals working at state and local levels.

You know, I'm so concerned, because, historically, as I read the data, professionals who are trained by the Epidemic Intelligence Service that you are referring to and the other programs in conjunction with academic institutions and the like usually choose to work in the federal and academic public health positions, and we desperately need them there. So this is not an either-or kind of question.

The Center for Public Health Preparedness located at the schools of public health have historically trained the academic and federal public health experts, so we also have to be thinking about a pipeline for the state and local public health professionals. And I think that's a double challenge we face, Mr. Chairman, because, not only in the area of bio-defense but in the increasing awareness of environmental impact on health, we are not having enough personnel at the state and local level to follow up on legitimate questions that are raised -- that maybe if we can begin to acquire enough information we can make sense of cancer clusters or increasing spikes in other diseases.

So I think that we've got to think on both levels, both what, as the doctor clearly states in her oral and written testimony, we can do at the federal level, but then I think we're going to have to provide some boosts at the state and local level. And I would appreciate thoughts that any of our experts have on this, because you work with the state and local level, and in another arena, our continuing efforts globally and what we need to do to maximize our reach globally. I want to commend all of you for the contributions that the American medical establishment made in the SARS epidemic.

But any thoughts you've got that we should take and consider -- with respect to the WHO, we've got, for example, this bizarre problem that Taiwan is not in the WHO. So we've got

political obstacles to figuring out what's going on with an epidemic in Taiwan. You know, these things are just hard to understand in the global village that we all inhabit.

So any thoughts you have may not be directly in our jurisdiction, but if you need additional personnel, laboratories overseas, other kinds of protocols that we have anything to do with, we need to hear that from you, because this is an increasing concern of mine. And, you know, there are some of my colleagues who don't believe in things like global climate change, but it does seem to me that some of these diseases are creeping northward that we never had at the latitudes we're now finding them.

And, certainly, even apart from that, all kinds of critters get on airplanes and ships and end up on our shores. So I think we've got to think more globally as well as locally, so there are many, many levels to this.

Finally, Dr. Gerberding, the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 authorizes the distribution of public health emergency preparedness funds based on threat. However, in FY03, New York City was 45th in public health emergency preparedness funding at \$2.59 per capita.

I think history has proven that our cities are the principal targets for any kind of attack. That's where -- you know, sarin was used in Tokyo, anthrax here in Washington. Can you tell us how you're planning to ensure that the funds are in the future distributed as we intended them to be on the basis of threat?

GERBERDING: Thank you. Yesterday, I had a chance to talk with the commissioner of health in New York City, and he brought this same issue to my attention. I don't think anyone would argue that New York City is a target, and we recognize that.

The dilemma is that we didn't think of Boca Raton as being a target before the first case of ventilation anthrax was identified there. So it is a real challenge to make a hierarchal arrangement of our cities, and really, ultimately, we have to concentrate on having no weak links in the system.

So I promised the commissioner that I would talk about this with Secretary Thompson and bring to his attention that there are inabilities to provide resources for all of the priorities in some of our major metropolitan areas. As you know, we do have special funding for four cities, because we recognize that they are higher in population and also higher in threat. So we'll look at the resource allocation and identify how we can get the balance right if it's out of balance right now.

CLINTON: I would appreciate being kept informed about that, and I thank you for your attention to this.

Finally, I think that perhaps the chairman and I could discuss further and get the expertise from all of you about whether there is anything we could do right now. I have prepared an amendment to Labor HHS about this public health workforce issue, because I hear it all over. It's not just a New York City problem. It's throughout New York State.

But then many people around the country are -- you know, they're panicked now because they don't think they have enough resources, and they look over the horizon, and they just see a terrible shortage developing. So perhaps we could discuss some matters about that.

And then, finally, Dr. Gerberding, I have one very local question, and I'll be happy to provide additional information concerning this. But I want to thank you for your assistance and the aid of your staff in setting up the health tracking system for everyone who labored at ground zero, our firefighters, our police officers, our construction workers.

This was such an important effort, and, obviously, it means the world to the individuals who are directly affected. But I think it's also significant to the data we are collecting about what the exposures might possibly be and the impacts that they will have when people are thrust in these unbelievable dangerous situations.

We may need your help in another pressing matter at this time. In Endicott, New York, in 1979, there was a release of approximately 4,100 gallons of industrial solvent at the former IBM facility in the village of Endicott. The spill contaminated local ground water, and associated vapors have recently been found in people's homes, although this is now 20 years plus after the spill itself.

The ground water contamination is being addressed through a number of pumps and treatment systems, and we're sampling local buildings, and we're trying to fix ventilation systems. It's a very complex environmental and public health challenge, but it's the kind of thing we're seeing more and more often across our country.

And I think CDC could provide meaningful assistance in helping the local authorities and even the state try to come to grips with these indoor air situations, you know, the problems that are associated with the contamination, and I would look forward to working with you. The county executive, Mr. Jeffrey Cram (ph), has expressed a particular concern about trying to set up some kind of an assessment system, perhaps through the National Institute for Occupational Safety and Health, so that we can, again, kind of track and learn from these kinds of massive contaminant events that apparently have long-term effects. It's not something that goes away in a year or two. So I will provide you additional information on that.

GERBERDING: Thank you. We do have the expertise to address those kinds of issues, so we'll definitely follow up.

CLINTON: Thank you.

Thank you, Mr. Chairman.

GREGG: Thank you, Senator.

I think you've sensed a real interest in this committee, at least, in doing something about your personnel issues. I understand there are bureaucratic issues that may limit your capacity to be aggressive in this area, but this committee would like to be aggressive in the area. So, hopefully, we'll get some counsel from you as to what we should be doing.

Again, we thank you very much for the extraordinary work you do on behalf of the American citizenry in all sorts of areas, obviously, not only protecting us from the threat of terrorism, but protecting the health of the nation, and we are very, very lucky to have talent of your level and capabilities involved in public service. So thank you again, and I appreciate you taking the time.

Adjourned.

END

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON MILITARY NOMINATIONS, 7/29/2003

CLINTON: Well, Mr. Chairman, I am delighted to support these two nominees.

And I must say that it is quite encouraging for many of us of a certain age that General Schoomaker would come out of retirement to assume this position. And I'm very grateful and impressed by that, and I look forward to working with them.

And in addition to General Schoomaker's considerable military experience, I was also impressed by his political savvy when he came for his courtesy call to my office, bringing with him a young Army ROTC student from the University of Syracuse.

That was very well done, General.

SCHOOMAKER: I wish I could take credit for having thought of it.

CLINTON: Well, now that you're in charge, take credit for everything.

And I would echo Senator Roberts' very kind comments, because I know that in positions like this the family also serves, and particularly the spouses and even adult children. And so I thank your families for being willing to back you and support you in undertaking these important missions.

WARNER: Members of the committee, a number of you have spoken to me already about the time I digressed from the matter at hand, the announcement by the press and two colleagues in the Senate about the Pentagon office had proposed spying electronically on Americans to monitor potential terrorists as a new experiment. It was an online futures trading market. Our staff is looking into that and we will have a report for all members before day's end.

CLINTON: Mr. Chairman, I want personally to thank you for that.

I was going to bring that up during the question period. I was appalled, you know, that we would be in a sense setting up a futures market in death and destruction. And it is not in keeping with our values and certainly not in keeping with the highest ideals of the men who sit before us.

And I thank you for looking into this matter.

U.S. SENATOR BARBARA BOXER (D-CA) HOLDS NEWS CONFERENCE ON AIR MARSHALS, 7/30/2003

CLINTON: Well, I just am as bewildered as my colleagues in the attitude of this administration about our most important domestic priority, which is to defend and protect ourselves from terrorists.

I was listening to my colleague Senator Schumer talk about the metaphor of the five kids in the bed and the covers. I thought of that old song, you know, there were five in the bed. The little one said, Roll over. Roll over. And they all rolled over, and one fell out.

Well, that is kind of where we are. There is not enough money to do the job that needs to be done. And so, they say, OK, everybody. Roll over. We're going to take money from this category. We'll put it in that category, even though we know we need money in both categories.

There was another element in the story this morning that caught my eye, that I was equally disturbed by. And that was the revelation, which came as news to me, that on many of our intercontinental, international flights, we have a number of our major airports, including JFK, including LAX, including Miami, where people who start out in one part of the world can do a layover in one of our major airports without a visa, without necessarily being taken to a secure room. They can, therefore, know that if they are going, say, from Latin America through Miami, but their ticket says they're going to end up in Chicago, that they can make that stopover. Similarly with JFK, which is an international hub.

So today I have contacted the Department of Homeland Security as well as, in our case, the Port Authority in New York, demanding that something immediately be done. These people have got to be, in some way, identified.

Now I'm sure that that will affect thousands and thousands of legitimate travelers. But if there is one or two terrorists who know that they can get into a major airport and disappear while they are allegedly waiting for their connecting flight, that is too big a risk to take.

And so on every single issue that seems to come to light, it is troubling, as we on the Democratic side have been saying over and over again, that we're just not getting the kind of cooperation and attention and resources to the full range of homeland security needs that experts tell us we require, that our own evidence that we have had come before us in our various committees demonstrates we require, that any common sense citizen walking around sees for him or herself that we require.

But the administration insists on trying to convince us that although we are not funding homeland security at the levels that everyone knows we need, that somehow they can make do with what they are claiming is all that is required.

So I join my colleagues. And I thank Senator Boxer for jumping on this so quickly. I think it caught everyone's attention, because clearly to have this appear at the very same time that we were being given what was considered credible intelligence about new hijacking plots was just more than anybody should have to tolerate.

And on top of the episode yesterday with the futures market in- depth, what is going on with this administration?

CLINTON: I mean, honest to goodness, who are they talking to? Who are they listening to? What are their real priorities? And it just raises a lot of serious questions that not only are we in the Congress concerned about, but I think the American public increasingly is also very worried and concerned about as well.

BOXER: Any questions for us?

QUESTION: If they are robbing Peter to pay Paul, what can be done immediately, if anything, to get the funding they need to do this? There still will be, seems to me, even if they fix this by taking the money from one place back to another, there's going to be a shortcoming there. Is it a matter of giving them more authority to re-program it a certain way? I mean, what can be done to fix it?

SCHUMER: The answer is simple: We need more dollars. You can't do the job with the amount of dollars that's been given. And one of the proverbial children is not going to get covered.

The bottom line is that this is not just re-programming. This is not just saying, Oh, we need better administration. This administration has constantly fought every attempt to put the right amount of money for homeland security. And until we do, we're not going to be doing what we should to make us secure.

Barbara and I worked on we're trying to get money for Stinger missiles. That's another way our planes are vulnerable...

(CROSSTALK)

SCHUMER: ... you know, enough money for -- sorry -- for defenses against Stinger missiles.

(CROSSTALK)

SCHUMER: Excuse me.

(LAUGHTER)

We're not starting our own little organization.

(CROSSTALK)

SCHUMER: But we're trying to get money for defense so that planes can defend themselves against Stinger missiles. Talked to every expert. It's a real worry. They fight us tooth and nail, and then they do a study. And they stretch it out for five years, so that the first Stinger -- you know, the first plane won't be outfitted till 2006.

And you could have heard every amendment we did last week on the homeland security bill. They said it wasn't in the committee's budget. It's out for every single issue.

So this is a much more serious issue than just twisting a few dials. The administration has to step up to the plate and adequately fund homeland security, or they're going to have more embarrassments like the one they suffered today.

BOXER: I just want to add to the money piece of this. We have a war in Iraq and we have a war against terrorism here at home. Right? President says the war against terrorism is an ongoing war, we have a war in Iraq. There is never even a question, as Chuck has pointed out, about the funding for the war abroad -- never questioned: \$45 billion a year now; that's more than we spend on all of our highways, that's more than we spend on any one item that you can think of that the American people care about, whether it's NIH finding cures for illnesses, whatever. OK? No problem.

We are trying to push, then, in our committee to have some burden-sharing here, to have some of our allies pick up some of the burden. Poland is coming in with a few troops; we're very grateful.

CLINTON: But we're paying for it.

BOXER: We're paying for it. That's the point .

So the bottom line is, we need burden-sharing. We need to get some relief over there. We need to bring the money home and defend our nation. And that's what kind of leadership is required right now.

That's the way all these things are tied. And you're so right, Senator Schumer, to point it out. This isn't about re-programming, sir. Because how do you re-program in an agency that so tightly funded right now that has as its job to protect the homeland? You know, period, that's the truth.

So you can't solve it by re-programming. What they are doing is taking money away from they tried to lower the number of Air Marshals. Stop the long-haul trips they were making, which is everyone of those planes was headed for my state, from their state, and one, I guess, was Boston. All the long-haul, heavy load, heavy fuel load planes. So they wanted to do that.

BOXER: Then we caught them, OK. So they back pedaled, but they're still not training the Marshals in Phase 2 training.

So that's the kind of reprogramming: taking away from Phase 2 training, stopping the training, the advanced training. This makes no sense at all.

So it's time the American people woke up to this. You can't protect the country on the cheap, period, end of quote.

You can't protect this country on the cheap. The American people deserve more. We know what we have to do. We tried.

Look at this, just this year, and this is just TSA.

And Chuck is the head of our Democratic homeland security team. He could go into chapter and verse on other amendments. This is just TSA, and the Republicans rejected this on party line vote.

So there is a disconnect here, and it's a dangerous disconnect, and it's one that we're calling attention to, and we will not stop calling attention to.

(CROSSTALK)

QUESTION: (OFF-MIKE) record high deficit. What's going to give?

BOXER: Well, if you listen to what I said -- I -- what did I say?

I said pay as you go. I said pay as you go, just as we did when President Clinton was president.

We were able to see by doing pay as you go, and we did wise budgeting, we had a surplus.

The bottom line is look over there in Iraq, look who's footing the bill, not to mention the absolute bloodshed that's falling on the shoulders of our people.

You want a way to do it, let's do what George Bush's father did. Eighty percent of that war was picked up by our allies. Get with it. You are shorting the priorities here at home, and that's how I would pay for it, in a heartbeat, and that's what I would hope the message would be today at least from this senator, that you can't just say anything we want to do abroad, all on our shoulders, no questions asked, who cares what the amount is.

And by the way, mark my words, \$45 billion a year is going to look low by the time you see the ensuing months and what it's costing, and yet shorting these important areas of defense here at home.

(UNKNOWN): And, James, nobody is going to say, don't do homeland security because you'll increase the budget deficit.

There are a lot of other things that increase the budget deficit, most of all all the tax cuts.

But the bottom line is this is one thing that does -- you've always -- it's always been a rule that to protect the security of the people, whether it's fighting a war abroad or protecting us at home, that deficit spending is allowed.

So that's not -- I don't think any of us have criticized in that regard. We certainly think the deficit is out of control, but that's not because of spending on homeland security, that's for sure.

CLINTON: Well, and also, James, this is the first president in our entire history who has taken us to war at the same time he keeps cutting our financial resources. I mean, it's never happened before.

QUESTION: So repeal the tax cut?

CLINTON: No.

I mean, I think -- you know, we're looking for the money that we need for homeland security. There are many, many, many ways to get it, if the administration first recognized the importance of making it a priority.

You know, remember this is the administration that did not want a Department of Homeland Security, changed its mind only under tremendous pressure, has never really made the commitment to the kind of resources that we need.

I mean, I've been fighting this battle on direct funding, as you know, for now two-and-a-half years, to try to get the money where it's most needed. And whether it's TSA or ports or borders or direct funding for first responders, they've just never made it a priority. And that's beginning to demonstrate itself to the American people at large.

QUESTION: Senator Schumer, did Asa Hutchinson express any willingness to reconsider budget parameters for this year's spending or next?

SCHUMER: No, I mean, I have had lengthy discussions with Asa Hutchinson, Tom Ridge and others about getting more money for homeland security.

SCHUMER: And basically, I hate to tell you this, but I think, and this is my judgment, that the decisions are not made by the Homeland Security Department. They're made by OMB, and OMB doesn't really give a hoot about homeland security.

BOXER: I agree with that. From the people I've talked that's the impression you get, that they're very upset at this.

SCHUMER: I mean, I feel bad for Asa Hutchinson and Tom Ridge, people who I like very much, because they're given, they're not given the resources, and then they say go do the job, and they're good soldiers, they don't complain publicly.

But I hope they're arguing privately to OMB. And what'll happen today? Thank God Marshals aren't being removed. But maybe they'll reexamine their really, you know, penny-wise and pound-foolish approach to homeland security.

QUESTION: Senator Schumer, when he said it was a mistake, you said that Asa Hutchinson said it was a mistake. Did you take that to mean, or did you ask him, it was a mistake that they never intended to cut the Marshals, or that it was a mistake for them to try to cut the Marshals?

SCHUMER: To me, it's unclear what actually happened.

BOXER: Well, let me tell you what I was told by the deputy secretary, let me tell you what I was told. He said it never was going to happen.

QUESTION: Who said it?

BOXER: The deputy secretary. No, I talked to Steve McHale, deputy secretary of TSA, and he said, That was never going to happen. That's what he said, never going to happen.

And I said, well, then I'm reading between the lines. It must have been out there in the mix of ideas. And he was kind of silent on it.

So he denied that it would happen. He admitted they were going to reprogram money away from the training and that they were going to keep the Air Marshals on.

And I told him I'd send him a list of reasonable and good hotels in the San Francisco area, to which he laughed and said, Send it over.

SCHUMER: But the bottom line is none of us have any doubt that had there not been this alert that they'd be cutting the Marshals right now. And I wouldn't be surprised if they tried to cut them three months from now.

BOXER: And frankly, if the Marshals hadn't had the courage to speak out, and I just want to say again I hope they get the message how important it is that they speak out, because if they hadn't this might not have come to light.

They're the ones who brought this issue forward. So...

QUESTION: Are there any other areas that they've talked about reprogramming? Or did Asa Hutchinson indicate when they might begin?

SCHUMER: No, they're so threadbare in so many different areas that they don't have, there's no extra pot of money there. And they're already, this is another lesson of what's happened. They're cutting into the bone, right now.

When they don't have enough money to fund Air Marshals, which was one of the things we talked about the most right after 9/11, as a way of preventing another 9/11 from happening, then you know that there's no fat in this agency and they're cutting into bone.

BOXER: Anybody else? Thank you.

END

"CNN Breaking News," CNN, 8/14/2003

JOHN KING, CNN ANCHOR: Senator, thank you for joining us.

Let me ask you the question that Mayor Bloomberg posed earlier. Where were you when the lights went out?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, John, I was in my offices in midtown. And I was having a meeting with all of my summer interns, who are finishing up their time with me. I had about 50 of these terrific young people. We were in a room in the lower floors of the office building where my office is.

And we were talking about issues. And they were reviewing their summer for me when we had the lights go off and then had word that we should evacuate the building. So very calmly, we went out to the sidewalk in front of our office and continued our discussion for about 30 or 40 minutes and tried desperately to get information in those first few minutes.

But you know, New Yorkers are so terrific. Everybody was calm. Everybody coming out of all of the office buildings, all up and down Third Avenue, where my office is. You know, they were standing there talking on their cell phones, trying to figure out what was going on. And it became clear that we'd had this massive power outage, which, when we finally get the power back on, we're going to have to figure out why the provisions that were supposedly in place to prevent this didn't work, but right now everybody's just trying to do their best to help each other and get themselves home.

KING: And Senator, we heard the mayor saying they're still trying to find out what happened. Nobody in New York thinks there was terrorism involved. Everyone in Washington is telling us they do not think -- do you have any sense from your conversations with, whether it's city state, or federal officials, as to what happened?

CLINTON: Well, John, I think, first and foremost, it is absolutely our understanding now that this is not terrorism, that there was some mechanical failure, overload. We're not sure where.

Our best understanding right now is that whatever did happen to start these cascading outages began in Canada. The Niagara Mohawk system is a huge system that serves southern Canada and the northeastern United States, all the way over to Ohio into New England and certainly, you know, down into New York City.

This is the preliminary information, but, you know, a lot of us are going to want to know a lot more and get some specifics as to whether, you know, this is something that could have or should have been avoided.

We haven't had a very hot summer. We've had a pretty cool, wet summer here in New York. And I'm not sure why the first hot day would create this kind of reaction.

But nevertheless, right now we're just focused on people getting home safely, taking care of each other, and traffic lights are not working so driving very carefully. And then, there will be plenty of time to try to figure out why this happened and what we need to do to prevent it.

KING: Was your first thought, Senator, because of the world we now, unfortunately, live in, "Oh, my God, more terrorism."

CLINTON: You know, I tried not to jump to that thought, John. I just wanted to get information. You know, I was worried. I had all these 50 young people with me. I wanted to get them out of the building as we were asked to evacuate and get outside and then try to take stock of what was going on.

Clearly, it crossed my mind. It had to cross anybody's, especially those of us in New York. But we were able to get through to some officials, both federal and state, and we were able to get some feedback from the city.

Originally, we thought there had been some kind of fire or accident at the Con Ed station down on 14th Street. That, apparently, is not the case. So we were given that information. And like everybody else, we were just trying to, you know, figure out what did happen. And then from my position, of course, I feel a responsibility to try to make sure we know what happened and make sure it doesn't happen again.

KING: And Senator, if you'll forgive me, if I could ask you to help us and play traffic reporter, where are you? You're trying to make your way home, I understand. Where are you physically, and what's the scene around you?

CLINTON: Well, I went up the West End Avenue as opposed to trying to get on the West Side Highway, which was totally gridlocked. And I'm about to get out of the city and be able to make my way back home.

But people are really behaving well, John. I just want to reinforce that, once again, New Yorkers have risen to the occasion. They are performing, you know, with a lot of calmness and strength and industriousness.

I heard Wolf Blitzer talking, as I was waiting to talk to you, about some of the efforts that people are making to get folks out of elevators. We still have some people in elevators and in subways. But all of it is proceeding very well. And, you know, so far we don't have any word of any problems or fatalities, and that's the way we want to keep it.

KING: Senator **Hillary Rodham Clinton**, we thank you for checking in with us.

If you learn any more tonight about how this might have happened or any other potential fallout ramifications, please check in with us. We hope you make it home safely and that the lights are on in Chappaqua.

CLINTON: I appreciate it.

KING: Senator **Hillary Rodham Clinton**.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON THE U.S. AIR FORCE LEASE OF BOEING TANKER AIRCRAFT, 9/4/2003

CLINTON: Mr. Chairman, I too, want to thank you for holding this hearing. I think it's indicative of your leadership and your openness.

I would just add a few points. I think there is general agreement that the Air Force needs more tankers; I would posit that. I mean, I think that should be, sort of, the basis on which we go forward.

CLINTON: The issue is how best to obtain those tankers as soon as possible, put them into service and have them utilized. I am struck by the various questions concerning this particular approach to obtaining the tankers. I don't have a positive or negative feeling about the process yet. I appreciate the effort to find out more information. But I do think there are other related issues that the context of this should be recognized.

You know, we are going over this leasing arrangement with a fine-toothed comb and we're putting out billions of dollars in contracts for the reconstruction of Iraq, and not knowing a single thing about them. You know, Senator Collins and I and Senator Wyden have been trying to find out information about Halliburton and Bechtel and others who just basically have been handed billion dollar open checkbooks, and there has been very little, if any, oversight by anyone in the Congress.

So I hope that this hearing and the rather significant amount of information that's been forthcoming will serve as a model for other contracts that are being entered into, in this case without any information or oversight.

Secondly, part of the dilemma we find ourselves in is our failure to be honest about the costs that we confront and the ability of our government to sustain these costs into the future without adequate revenues. This is not a problem that is going away no matter how often people try to pretend that it doesn't exist. It is, to use an appropriate metaphor perhaps, the giant elephant in the room. You know, this is a huge issue. We are not paying as we go, and we are not acting responsibly about how we fund critical needs like national defense.

So this leasing agreement, looked at on the side as though it were some aberration, is part of a much larger pattern of fiscal irresponsibility and failure to acknowledge the real costs of our undertaking the kind of missions that we are currently committed to.

So, Mr. Chairman, I think that it is imperative that we come to an answer on this, because clearly in my review of what I've been given the Air Force needs these tankers. Our continuing missions require this kind of capacity. But I think we should take a very hard look at the broader context in which this hearing is being held, because, you know, we are focusing on one relatively small albeit very important issue and we are failing to look at the entire context that this is occurring in.

So I thank the chairman for having this hearing, and I look forward to the information.

WARNER: Senator, I appreciate that.

I note also your reference to contracts in Iraq. You'll recall the debate that we had on the floor with the Boxer amendment. She took an initiative and we joined on that and did some piece of legislation. But I'll refer to what we did on the floor and the subsequent actions by the department. I think you raised a question that's certainly within the province of this committee to look at.

CLINTON: Thank you.

"Good Morning America," ABC, 9/11/2003

A live picture from ground zero, and you're seeing some of the British police officers who have come to New York to help commemorate this second anniversary of 9/11. 125 British police officers from different cities around the country, bringing, as I say, British flags into the site. And we want to go back to ground zero. We're joined from there by Senator **Hillary Rodham Clinton**. And Senator, it's good to have you with us on this day. And, and Diane and I, as we sit here, are sort of conflicted. We don't know whether this is a day of looking back or mostly a day of looking forward.

SENATOR **HILLARY RODHAM CLINTON**,

DEMOCRAT, NEW YORK

You know, Charlie, I think it's a day of doing both. I was able to hear the audio of Diane's continuing coverage and attention to the families and the children. And Diane, I mean, I couldn't see the pictures, which I'm sure would have brought me to even greater teariness, but the sound of the voices and the resolve. No one's forgetting the people that we lost. The loved ones who are going to gather here are coming because they will never, ever have a life that is the same. But their lives go on, like all of our lives. So, we do look back, and we honor and commemorate. And we think about what we lost, and we go forward because of the resilience and the courage of so many people who are such examples to all of us.

CHARLES GIBSON

(Off Camera) Senator, let me talk to you a little bit about what happens at ground zero. We talked to the former Mayor Giuliani. His position has always been that the memorial, whatever it maybe, should dominate on that site and that rebuilding should be secondary. And some families have been protesting saying they thought they had a promise that no building would occur on the footprints of the old Trade Center towers and indeed that, that the memorial would go down 70 feet to the bedrock because that is a burial ground of many of their loved ones. Did they have that promise, and has it gone by the wayside?

SENATOR **HILLARY RODHAM CLINTON**

Well, Charlie, I know that the families have many different feelings and deep concerns about this. I, I agree that the memorial, whatever it is, should be the primary structure, whatever the design is. This is a sacred ground. The process that has been set up under the governor's office, the Lower Manhattan Development Corporation, which has set up a series of committees and juries to judge designs is responsible for making that decision. And I trust, and I hope that whatever their decisions are, that it will be first and foremost a sign of respect and remembrance for the people we lost, and also a way of reminding ourselves and future generations about what was sacrificed on this site and the constant vigilance that's required for our freedom and our liberty.

CHARLES GIBSON

(Off Camera) One of the things discussed is a freedom tower that would go there, which would be very, very tall. Do you worry about a tall building on that site?

SENATOR **HILLARY RODHAM CLINTON**

No. If it's an appropriate part of a, a design that does what is needed down here at ground zero. I don't worry about that. You know, New York is a City of skyscrapers. We reach toward the sky. That's part of the human spirit. I don't think that we should be intimidated or deterred from doing whatever we believe is appropriate.

CHARLES GIBSON

(Off Camera) And I'm just curious, as a New Yorker and Senator and whatever, how you, how you feel on this day?

SENATOR **HILLARY RODHAM CLINTON**

This is a really hard day, Charlie. You know, this is a day when I look into the eyes of a lot of the family members whom I've gotten to know, some of the grievously wounded victims who are still dealing with burns and injuries, where I meet firefighters who have been forced to retire from active service because their World Trade Center cough, whatever that is, won't go away. So there is a lot of bitter- sweet moments in this day.

CHARLES GIBSON

(Off Camera) Mm hmm.

SENATOR **HILLARY RODHAM CLINTON**

At the same time, though, I, like you and Diane, am just overwhelmed by the courage and the grace of the people that I meet. And it also strengthens my resolve even greater than it has been to just make sure I do whatever I possibly can to try to prevent anything like this ever happening anywhere in our country again.

CHARLES GIBSON

(Off Camera) All right, Senator **Hillary Rodham Clinton**. Good to have you with us. You take care. Thanks for being here.

SENATOR **HILLARY RODHAM CLINTON**

Thank you. Thank you.

CHARLES GIBSON

(Off Camera) And we'll be right back. Stay with us.

commercial break

"The Early Show," CBS, 9/11/2003

Senator Hillary Clinton is at ground zero this morning to attend the September 11th anniversary ceremony and she joins us now.

Good morning, Senator Clinton.

Senator HILLARY **CLINTON** (Democrat, New York): Good morning, Hannah.

STORM: Now as a former first lady and the senator from the state which has suffered so terribly from those attacks, what are your personal reflections on this day?

Sen. **CLINTON**: Well, this is a very hard day. Like so many New Yorkers and Americans, I knew people who perished on September 11th. I have come to know many of the family members who lost loved ones and some of the people who were so grievously injured by burns and falling debris from the sky, and it's a day for looking back and honoring those we lost, but it's also a day for, you know, thinking about the present, trying to help rebuild lives, as well as the physical infrastructure of our city, and to be resolved to do everything we can to protect ourselves going forward.

STORM: You fought so much for the heroes of 9/11. You have sought money for firefighters. You've taken the EPA to task for toning down their report on air quality at ground zero. Has enough been done for the heroes, the people who fought so bravely on that day?

Sen. **CLINTON**: I don't think so. I feel very strongly that, you know, the people who rushed toward danger, who I think saved thousands of lives, deserve all the help that they need. They deserve continuing medical care because we know that based on a program that I helped to fund to give clinical exams to our firefighters and our police officers, our construction workers and others that about half of them are suffering from what is called the

World Trade Center cough and pulmonary, respiratory function problems. And we need to be very sure that the residents and the people who work in the immediate area today have good quality air in the indoor of their homes and their businesses. So there's still a lot of work to be done.

STORM: Senator Clinton, you mentioned security and I want to talk about the news that's dominating this--the Senate right now and that's Iraq. A lot of people feel the focus on the war in Iraq has not only derailed our own security, it has hurt us economically, it's hurt our credibility on the world stage. Are we suffering of a crisis in leadership in this country right now?

Sen. **CLINTON:** Well, you know, Hannah, I'd be happy to come back and--and talk with you about that sometime in the future. I obviously have strong feelings. My goal is as the senator from New York to do everything I can to protect and defend our people, to make sure that we are a strong leader so that we can have more allies and not enemies around the world. It's a very dangerous world we're in right now, but today really belongs to the victims, the survivors, the family members, the brave men and women who put their lives at stake for what we know would have been an even worst disaster on the day two years ago that we commemorate now.

STORM: Let me ask you about a comment that Mayor Giuliani told us earlier this morning, and--and he was noting that we had such great unity among the political leadership in our country two years ago, and that has been replaced by a divisiveness. He was wondering what that was a function of. Was it a function of the upcoming presidential election or something else?

Sen. **CLINTON:** Well, I'm glad that we had unity and we should have had unity. We were attacked two years ago, and when that happens, team America pulls together and I was very proud of our country and we stood behind our leadership, but we're a democracy. You know, even in the midst of World War II, there were some really good debates about what was happening in our country and the direction of the war effort. Certainly in every year since then, there's been a good debate. This is no exception. I think it's healthy for us to be asking hard questions.

You know, we're not cheap. We don't follow whatever any leader tells us to do. We're citizens of the greatest democracy the world's ever created, and the way we express that is through our political process. So where we can be and should be united, we have to be because we are facing dangers and threats, but where we have honest disagreements, we should have a good faith debate and I think there are many questions.

For example, I'm not yet satisfied we've done enough on homeland security. I don't think that we've given our firefighters, our police officers, our EMTs, our public hospitals, our public health centers the resources they need to defend and protect us in the event of another attack. I don't think it's being divisive to say, 'We need to do better and here are some different ways we could go about doing that.'

STORM: All right. Senator Hillary Clinton, thanks so much for your time this morning.

Sen. **CLINTON:** Thank you very much, Hannah.

"CNN Live Event/Special," CNN, 9/11/2003

BILL HEMMER, CNN ANCHOR: Back here live at ground zero, an extraordinary scene again taking place on the western edge of ground zero. Already hundreds of family members, quite possibly in the thousands, are already starting to line up along the street to pay their respects today.

With me now, the junior senator from the State of New York, Senator Hillary Rodham Clinton.

How are you today?

SEN. HILLARY CLINTON (D), NEW YORK: I'm all right, Bill.

You know, this is a hard day for so many people who lost loved ones, and I think for all New Yorkers who either knew somebody or have gotten to know a family member or another person directly affected, as I have.

HEMMER: What do you think, what comes to mind when you look at the images on the street 10 floors below where we're standing?

CLINTON: Oh, courage, resilience, an enormous amount of grace. You know, when I look out at this site, I think of the first time I saw it on September the 12th, when I helicoptered in from LaGuardia in order to meet the governor and the mayor to survey the horrors. And it was hard at that moment to ever think the fires would go out or that we might not be attacked immediately again.

So, in some respects today, which is a day of commemoration and looking back, is also a day of taking stock of how far we've come, but what else we have to do ahead of us.

HEMMER: When it comes to doing things ahead of us here in New York City, as a representative for the state and the people who live here, there's been a lot of criticism right now in going forward with this memorial versus the construction.

Where do you stand right now on where that should be focused?

CLINTON: I've always thought that the memorial should be the centerpiece and the most important part of whatever is rebuilt. I think it's imperative that not only to honor those we lost, but to symbolize the courage and resilience of the people of this country. You know, I'm hoping and trusting that the process which has been put in place by the governor that has created different committees to make these decisions will be focused on doing that.

HEMMER: There is construction slated for an enormous tower to begin this summer.

Are you OK with that?

CLINTON: You know, I think you have to look at the total design. I'm not against any one piece of it as long as the overall effect is that the memorial and the meaning of this site is paramount.

HEMMER: Are you satisfied with the amount of money that's come into this city? There were a lot of promises a few years ago, two years, to be a little bit more exact than that. And a large portion of that has come in, but not completely.

CLINTON: But it's in the pipeline. I think that we've learned a lot about how to deal with such an unprecedented disaster. I'm very grateful for the financial help that we've received from the Congress and the administration. My concerns are mostly around whether or not we have really done all we need to do to take care of people. And I've got some unfinished business there.

I'm also concerned about the homeland security aspects of this. I don't think that anywhere in the country, but particularly here in New York, we've provided enough federal resources for our firefighters, our police officers, our EMTs. You know, we have so many unmet needs when it comes to being prepared and ready in case something terrible happens again.

HEMMER: Is it possible, though, to ever be 100 percent?

CLINTON: No, but I want to go to bed at night knowing that we've done everything humanly possible. I don't want to go to bed saying, you know, we've been talking for two years now about how our borders need to be safer. You know, we're closing fire stations in New York City, a place where the firefighters lost so many hundreds of their, you know, fellow firefighters. It's not right.

I mean I don't understand how we can go from two years ago when we were praising our firefighters, when we're cutting our force, when we're cutting back the federal support for our NYPD and other law enforcement around the country. That doesn't make any sense to me.

So, no, there's nothing in life that's a hundred percent. And you can look at other places in the world, like Israel, that have certainly been on the front lines in the fight against terrorism for decades. There's no way to plug every hole and prevent every suicidal lunatic from coming into your borders. But let's do everything we possibly can. And I'm not yet convinced we have.

HEMMER: Good luck today.

CLINTON: Thanks.

HEMMER: And I know you're spending a lot of time with the families today and best of luck with that.

CLINTON: Thanks. It's hard. But, you know, they're brave and courageous people and...

HEMMER: And inspiring, don't you think?

CLINTON: Very much inspiring.

HEMMER: I find it unfortunately year to year now down here.

CLINTON: That's right.

HEMMER: Thank you, Senator.

CLINTON: Thank you, Bill.

"Inside Politics," CNN, 9/11/2003

WOODRUFF: I spoke with New York Senator **Hillary Rodham Clinton** a short time after this morning's service at ground zero. I started by asking her if she agreed with Rudy Giuliani who said this morning he's concerned that Americans might soon forget the events of September 11.

(BEGIN VIDEOTAPE)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I do. You know, for nearly two years now I have been speaking out about the need for more homeland security. Not only more federal dollars that get directly to our first responders, our hospitals, our EMTs, our public

health facilities, but also information that empowers our citizens to be able to act appropriately.

You know, here in New York I think we have demonstrated twice in two years, first on the horrible day of 9/11 and again on the day of the blackout, that, you know, we're able to deal with the reality that we have to confront. And I think it's a question of both financial resources, better deployed and attitudes not only in New York but across the country of being responsible, keeping our eyes open, figuring out what we need to do for ourselves and our families in the event of an emergency.

WOODRUFF: Who need to step up to the plate, senator, and -- and fill the gaps that you are describing?

CLINTON: Well, Judy, I think it's primarily the responsibility of the federal government. And I do think some positive progress has occurred. I applaud that. Because we -- we certainly have done better on our airline security, although we still have work to do there. We have certainly gotten some resources where they're needed with respect to bioterrorism.

But you know, we have a long way to go. And I don't think that the federal government yet has fully comprehended that this is a national problem that needs a national response.

I also believe that they have failed to recognize that we have got to invest a lot more federal dollars into security. You know, down at the ceremony today, I talked to a lot of firefighters and police officers. And to a person, each said, you know, we're not getting what we need. It's almost impossible to believe that two years after 9/11, when I know from the intelligence that is both public and that I see, that New York and Washington remain at the top of the target list, that we would have closed firehouses, that we would have laid off police officers, that hospitals and public health facilities wouldn't yet have what they need, whether it's decontaminant units or other kinds of preparedness, material, equipment and training. And yet that is the fact.

WOODRUFF: Senator, as you know, meanwhile, President Bush this week identifying Iraq as now the frontline of the war on terror, he's asking for \$87 additional billions of dollars, to fight that war. Can you do that and at the same time take care of the needs that you are describing?

CLINTON: Well, Judy, I don't think we have a choice. Apparently the administration thinks we do. That number, \$87 billion, was a shocker. It was far higher than any of us had been led to expect. But you know, I am going to do everything I can to support our men and women in uniform. I'm very proud that we are fielding not only the 10th Mountain Division from Fort Drumm in northern New York, but many guard and reserve units. And, you know, New York, just like the rest of America, is really doing its part in Afghanistan and in Iraq.

But we cannot forget the homefront. And the reason that the president is making what I consider a false choice is because he has such bad economic and budget policies that we have driven our country into deficit and debt and we're not prepared to do what it takes to get us ready, to make sure every police officer and firefighter in this country has the equipment and the training that he or she need to make sure our borders and our ports are secure.

You know, I know we can't get to 100 percent. That's humanly impossible. But I want to go to bed at night thinking we have done everything we can. And when I listen to the experts who are the firefighters, the police officers, the other people who are going to be responding to those calls to action, I don't think we are ready. And we need as high a priority on defending us at home as the president places on what we're doing in Iraq.

WOODRUFF: And Senator, you've let the president know this?

CLINTON: I just did.

I have said this for two years, Judy. You know, I introduced the first legislation to ask for homeland security money to get to cities and counties. And so far it's fallen in on deaf ears. And I just hope that as we commemorate this second anniversary, we start paying attention to the real needs for defending ourselves here and our own borders.

(END VIDEOTAPE)

WOODRUFF: Senator [Hillary Rodham Clinton](#) a little earlier today.

U.S. SENATOR JAMES M. INHOFE (R-OK) HOLDS HEARING ON EPA ADMINISTRATOR NOMINATION, 9/23/2003

CLINTON: Thank you, Mr. Chairman. And I want to welcome the governor and Jackie Leavitt. I am delighted that they are here. I think, as the governor has already determined from his consultative process and certainly the comments that have already been made today, many of us are a little concerned about the administration that you are attempting to join and the policies that it has taken toward the environment.

And of course, you would be responsible for carrying out those policies. And it's not just the policy choices. It is also the way the administration has gone about them.

The litany of requests for information, some of which Senator Jeffords referred to, that are basically ignored and rejected, are lengthy and troubling. So there are a lot of topics to cover about specific issues. But I want to focus, in my brief remarks, on the recent EPA inspector general report about EPA's response to the World Trade Center attack.

It's an issue that illustrates how much Americans rely on the EPA for information about the air they breathe and how this administration has undermined EPA's credibility. In the last 12 days, we marked the two-year anniversary of the attacks on the World Trade Center and the Pentagon.

It brought back a lot of memories for many of us. It certainly did for me.

And I remember very well being there the day after those attacks and seeing the firefighters and the police officers and the others emerging from that hellish site, covered with dust and debris. I also know how concerned I was, starting at that moment, about the health of the people who were working and living in the area.

And we turn to our government for advice and guidance. I was asked. I asked the EPA. I asked other government officials, "Is the air safe?" And the EPA told us it was.

In successive press releases, Governor Whitman, then the administrator, sought to reassure the people of New York and American that their air was safe to breathe. Based on the EPA's statements, parents sent their children to school, elderly residents returned to their apartments. And unfortunately now, we learn from the EPA inspector general, that the statements were -- and I quote -- "not supported by the data available at the time."

Now I recognize -- and I've said this to Governor Leavitt and I've said it publicly -- that the EPA and everyone else involved was operating under extraordinarily difficult and unprecedented circumstances. But I just cannot accept that there seems to have been a

deliberate effort, at the direction of the White House, to provide unwarranted reassurances to New Yorkers about whether their air was safe to breathe.

According to the inspector general -- and I quote -- "EPA's early statement that the air was safe to breathe was incomplete, in that it lacked necessary qualifications and thus was not supported by the data available at the time. CEQ, the Council on Environmental Quality in the White House influenced the final message in the EPA's air quality statements."

Mr. Chairman, I will ask unanimous consent for two more minutes.

INHOFE: It would be deducted from your next five-minute round, if that is acceptable?

CLINTON: That's acceptable. The inspector general went on to say, "Based on the documentation we reviewed and our discussions with numerous environmental experts, both within and outside of EPA, we do not agree that the agency's statement on September 18, 2001 that the air was safe to breathe reflected the agencies best professional advice."

"In contrast, based on the circumstances, it appeared that EPA's best professional advice was overruled when relaying information to the public in the weeks immediately following the disaster. The White House Council on Environmental Quality influenced, through the collaboration process, the information that EPA communicated to the public through its early press releases, when it convinced EPA to add reassuring statements and delete cautionary ones."

Mr. Chairman, these revelations are outrageous. But they are part of a pattern.

If this were the only example, it could perhaps be looked at as unfortunate, but understandable. But it cannot be isolated.

Time and time again, when we ask for information and we do not get it or when we get information which experts clearly say -- and even lay people understand -- is not accurate, that undermines the credibility that we should be able to have in our government, particularly about such important matters.

So Mr. Chairman, I would ask that my full statement be submitted to the record. I would also ask that a statement by EPA workers who perform health, and environmental protection duties and expressing their anger and dismay over the White House's improper actions, also be included in the record.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

Governor, I have a number of questions on a range of issues that I will most likely not get to during this hearing unless the chairman has a change of mind and we are able to lengthen it so that we can get all of our questions in. So I will be submitting a number of questions to you in writing. There are lots of issues that are of concern to New Yorkers. And I would like to get your answers as we move through this process.

But I want to ask you about the continuing concerns that I have expressed about the inspector general's report. And I want to speak about indoor air quality.

And before I ask a specific question, I want to thank a representative of the downtown residents from Lower Manhattan, Katherine McVeigh-Hughes (ph), who has just arrived, because I think Mrs. Hughes demonstrates clearly why I am so concerned about this. She is the mother of two young boys, along with her husband. She lives one block east of the

World Trade Center on Broadway, between John and Maiden Lane. And she has lived through the confusion, the disinformation, the unsubstantiated reassurance.

And I know that, in addition to your many other attributes, you and your wife have a lovely family. And I think that putting yourself into the position of someone like Mrs. Hughes perhaps can clarify the concerns that we have and why this is not just a question about the past. It is a question about what you will do as the administrator.

Because when we began the process of cleanup, it took quite some time. But the EPA finally announced a testing a cleanup program in May of 2002. And they tested and cleaned thousands of residences. And I applauded that effort at the time. But I continued to raise questions about its adequacy.

Since reading the inspector general's report carefully, I have even greater concerns because the inspector general makes a compelling case that further testing and cleanup are required; specifically, the IG recommended three additional testing and cleanup actions.

I wrote to the president, asking that these be implemented. It seems to me that, given the problems in the cleanup and the testing, given the IG's findings that when we went back and retested some of the cleaned up areas, we found residue of contaminants that were troubling, I want to ask you a simple yes or no question at the outset.

If you are confirmed, would you seek to implement the recommendations about indoor air testing and cleanup referred to in the inspector general's report and in my letter to the president?

LEAVITT: Senator, I understand that there are conversations going on currently between your office and the White House with respect to this, and the EPA. I have not been party to those. And therefore, I am not able to give you a simple yes or no.

I would like to reflect, if I could however, thoughts I have had since our conversation about this matter. I listened carefully to your concerns. And while I have no new insight to add to what has occurred -- because I have no firsthand information about it -- I have tried to ascertain what I could learn from this.

And it's my clear sense that there is an importance for people to have information and that, when people have information, they are able to act. And I would like you to know that, in a circumstance where I found myself, I would do my best to assure that information was available and that we could serve the best interests of the people in crisis.

CLINTON: I thank you, governor. And I know that this is not yet your responsibility. But as we move forward in this process, I will continue to ask about an EPA commitment, as part of whatever resolution -- and I hope there is a resolution to this matter -- you would be responsible of course for implementing it.

Because if one looks carefully at the IG's assessment of the cleanup and the retesting, the scope of that program has not been adequate. You know, we just didn't get enough places cleaned. And unfortunately, as the IG report found, 82 percent of the residential units were re-cleaned.

And they had to be re-cleaned because the sampling filters were too clogged with dust to be analyzed. And even after that second re- cleaning, the units were still too dusty to pass the clearance test over 80 percent of the time.

So that's evidence that, even though there was a cleaning process, the cleaning process was often not successful. And again, I am really trying to get to this "inlibre" point, governor, because it does seem to me that, first, when you say you're going to have a cleaning process, then the cleaning process should be adequate, with the results that people can point to and say were successful. And I think that is the EPA's responsibility. So it will be my continuing point that we should do whatever it takes to reassure people that they have been given both accurate information and that the cleaning of their residences and workplaces

have removed the contaminants that could possibly endanger the health of themselves and their children.

This IG report, I think, is very instructive.

INHOFE: Senator Clinton, your time has expired. You've gone three minutes over. And I'm awfully sorry, we have to get to the other senators.

CLINTON: Thank you, Mr. Chairman. Mr. Chairman, will we do another round?

INHOFE: Of course.

CLINTON: Good. Thank you, Mr. Chairman.

INHOFE: Senator -- go ahead and go to Senator Chafee now since he didn't have an opportunity for an opening statement, if that's all right.

Senator Chafee? Five minutes.

CHAFEE: Thank you, Mr. Chairman. Welcome, governor. It was a pleasure to meet with you in the office and hear about your past, growing up in the southwest corner of Utah. And your town grew, I think you said, fivefold in the last number of years. And so you are familiar with rapid growth and some of the issues associated with that.

And I hope that -- I'm sure that you will bring that experience to your new position, should you be confirmed. And now you are going to be working for President Bush, as everybody has talked about. And during the campaign, he talked about Brownfields legislation and was successful at implementing that legislation and funding it -- very importantly.

On the other hand, I talked about regulating carbon dioxide. And I would like to see more of the same emphasis put into that campaign pledge as put into Brownfields, which has been enormously successful.

I would like to ask a separate question, though. You are going to be overseeing 10 regional administrators. And what kind of flexibility and autonomy will you give to these 10 different regional administrators? Each of these regions are going to be so different. So what kind of flexibility do you foresee giving these administrators?

LEAVITT: Senator, having served as governor for nearly 11 years, I have dealt with the regional administrators of the Environmental Protection Agency on many, many occasions and recognize that much of the great work that happens and many of the decisions that are reached happen at the regions and that I believe in a sense of decentralization, getting decisions closest to the people.

I have not yet had a chance, nor would it have been appropriate for me, to meet pre-confirmation with the regional administrators or to begin to delve into the organizational structure or where changes might be made or where the strengths of the organization would be found. But if I am confirmed by the Senate, I would most certainly begin that discussion and do what I can, at that point, to make any improvements necessary.

CHAFEE: Thank you. And on a more lighter note, since your relationship with the president is so important -- people have talked about it -- and you're both former governors, what has been your relationship in the previous years, in meeting at conferences or the like?

LEAVITT: Well, since T is very close to U in the alphabet, we have spent a considerable amount of time sitting with one another. He is a person who, as I indicated earlier, has my full trust. And he has my full loyalty.

He knows, I believe, based on the nature of our relationship, that he will have my best efforts and that he will also have my full and complete opinions, that I won't pull punches with him, that I will tell him directly -- sometimes in private -- how I feel. And I like to believe that that may be one of the reasons that he has called on me for what is clearly a challenging assignment.

CHAFEE: Thank you, governor. Good luck.

INHOFE: Senator Murkowski?

MURKOWSKI: Thank you, Mr. Chairman.

Governor, I would like to switch over to some Alaska -- excuse me?

INHOFE: No, not until each one has had a second round. That's always been the custom of this committee and all other committees, that I'm aware of.

CLINTON: She hasn't had a round.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

Governor, on the continuing series of questions that I have about the cleanup of lower Manhattan, I will submit those in writing to you as well, with the backup data, because it is hard in the time we have to cover that much ground. But I want to focus on the issue of the EPA's integrity, that this set of circumstances raises.

You know, when you look at the inspector general's findings. And to me, they are conclusive. I know the EPA was concerned that it put the EPA in a bad light.

I frankly think it put the White House in a bad light, unfortunately. I think the EPA tried to do what they thought was appropriate and were overruled, to some extent.

But when you look at the September 18th statement that the air was safe to breathe and realize it was not supported by the data available at the time and that the White House directed changes in a number of September 2001 press releases, I think that is a concern because it does fit into this pattern that we have that we're not getting accurate information that not only we can rely on, but more importantly, the American people can rely on, especially when we need to trust our government the most, as we do in these times of challenge.

So I had asked the White House for an explanation. And as I think I said to you in our meeting, I can fully understand why the White House might have overreacted or worried about panic at the time. But enough time has now passed that I think it would be appropriate for the White House to try to rebuild that confidence that we should be able to have in the highest levels of our government when it comes to health and safety.

But specifically with respect to your nomination, governor, I am sure you are going to have conflicts with the White House and with other administration officials about policy matters. And on every decision, you may not always prevail, although I certainly hope you prevail on more than less.

So can I ask you: do you agree that, regardless of the policy decisions, the EPA has a mandate to provide accurate data?

LEAVITT: Senator, it seems clear to me that the Environmental Protection Agency has a role of being able to assure the air is clean and to be able to provide the best available data.

CLINTON: And can you assure me that if you are confirmed, you will fulfill this mandate to provide the public with accurate data, regardless of what pressures you may face from the White House or the administration?

LEAVITT: As I mentioned in our private meeting, senator, I have no firsthand knowledge of any of the things that happened with respect to 9/11 or in Manhattan. I have watched

closely to see what I can learn from this circumstance. And as I indicated earlier today, one of the things I draw from this is, in my own mind, if I'm faced with a circumstance, to make sure that people have the data and that we do the best we can to inform people of risks that are there, as I feel some confidence that those at the White House had every intention of being able to meet that mandate.

I recognize that there's a controversy going over this right now. But I will do my best not to find myself in any kind of similar circumstance.

CLINTON: Governor, I want to ask you also about the Clean Water Act. We have a lot of water in New York. And the proposed rulemaking that is now underway concerning the Clean Water Act, do you support the proposed rulemaking to limit the types of streams and wetlands, ponds and other waters that are covered by the federal Clean Water Act at this time?

LEAVITT: Senator, are you referencing specifically wetlands?

CLINTON: And not only wetlands. It's the broader set of issues concerning the scope of the Clean Water Act, which would remove federal protection not just from millions of acres of wetlands, but also streams and lakes.

LEAVITT: I'm aware of these issues, but only in a most general fashion. One of the areas that our state has worked hard on is in doing the studies necessary to establish the total maximum daily load, for example. And there are certain indentations in the land where there is no water, that periodically there will be water.

And there's work to try to figure out where those -- how to treat those indentations that have no water. I know that's an issue, for example.

But fundamentally, our objective is to have clean water and to find ways in which to gain compliance. And in the final analysis, when all of the discussion has been held, if the water was cleaner, I will feel as though we have succeeded. And my objective is not to do anything to weaken the law to do that. My objective is to find compliance and to find ways of collaborating to that end.

CLINTON: Well, you know, governor, I have heard several of my colleagues refer to the fact that the latest trend report from the EPA demonstrates the increasing good news about the air and the water. I would only remind us that that is something that's happened over 20 to 30 years.

What we are seeing now -- and part of the reason why we're pressing this so hard on so many fronts -- is a reversal of those trends. No one argues that we have had some very good news over the last several years. And I think it's due to the hard work of members of Congress, administrations of both parties that have remained committed to the underlying fundamental mission of enforcing both the Clean Air and the Clean Water Act.

What we see now are disturbing trends in the other direction. So I think that has to be put into a larger context.

And finally, I think that you have a tremendous opportunity, should you be confirmed. I'm not lifting my hold yet, but should you be confirmed.

(LAUGHTER)

LEAVITT: There was some optimism.

CLINTON: Yeah, I know. I could see you. But I hope to. I hope that we get the answers and the actions that I think the people I represent deserve to have so that I could consider doing that.

But in any event, let me just quickly conclude, Mr. Chairman. You have a tremendous opportunity, governor -- because of this continuing debate about carbon dioxide, because of

the continuing concern about the changes in the New Source Review -- to try to get people at the table.

I have spoken with a number of my colleagues on the other side of the aisle. I think there are opportunities for us to come to some resolution of these issues. But we have to have some real leadership, and not just proposals that frankly don't stand up to any kind of scientific or expert analysis.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON SEXUAL MISCONDUCT REPORT, 9/24/2003

CLINTON: I thank the chairman, and I thank my colleague, Senator Collins, and I thank the panel for an extraordinary public service.

This is a very impressive report. The thoughtfulness of your analysis and recommendations, if followed, should put us on the right path.

And I would hope that, in addition to following the recommendations of the chairwoman with respect to the dean of faculty, we would consider looking at all of these recommendations and putting them into the DOD authorization, because I think that we need to set a benchmark against which we can hold accountable and measure the progress that is being made.

WARNER: On that point, Senator, I'm glad you raised that. In consultation with the ranking member, we're going to see what we can incorporate in the pending conference report such that this matter is addressed immediately. General Bunting, who was former commandant at the...

CLINTON: VMI.

WARNER: ... Virginia, VMI, points out the need to have a dean and a freedom of election of that dean, selection of the dean, and not be limited by the membership on the faculty, it may be that an outside -- so that's an important observation that you draw on from your experience at VMI. Thank you.

CLINTON: I want to ask each of the panelists to respond to a question, because I am still somewhat confused about the difference in emphasis between the first recommendation concerning awareness and accountability about the DOD IG's conduct of a thorough review of the accountability of academy and Air Force headquarters leadership and the chairwoman's testimony this morning with respect to a thorough review of the accountability of the previous leaders at the academy and Air Force headquarters.

And my question is this: Did anyone in the present or prior leadership of the Air Force or the Department of Defense explicitly or implicitly suggest to or ask you to limit the panel's recommendation about the DOD IG's investigation to former Air Force and academy leaders?

MILLER: No. And what I understood Ms. Fowler to be saying this morning is not a departure from what we said but a clarification, that, in the course of our research, there were questions raised about previous leaders. In the course of our research, none of the problematic questions raised dealt with the current leadership. So that we're not arguing that the current leadership should be excluded, but just that, of the evidence we have, we only have questions about the performance of prior leaders.

So no one asked us to exclude the current leadership. I don't believe that's what Ms. Fowler said. And I personally agree that we have no evidence to exclude them; we only have evidence raising questions about the previous leadership.

CLINTON: General?

BUNTING: I would agree with and endorse that answer. Our interest, once we got under way, basically was at the academy. We focused very intensely on what was happening there and did not spend a great deal of time addressing that issue.

(UNKNOWN): I would concur with Dr. Miller and General Bunting, that we were looking at the process over a decade, and we were dealing with a new leadership that had just started action. So our main focus was on the previous leadership.

WARNER: Could I just make a statement of fact for the record?

Secretary Roche was confirmed by the Senate on May 24, 2001. According to my calculation, he was in office for 20 months before the letters that Senator Allard and I forwarded to the various people to begin to look at this.

General Jumper was confirmed by the Senate August 3, 2001, giving him somewhere around a little less than 18 months.

So, I just point out that they had been in office for, I think, significant periods of time. And you draw on Colonel Ripley's, I think, rather dramatic metaphor, "This was a ship in broad daylight sailing into a reef," and according to General Bunting, "Systemic problems were manifest to everybody who wished to see them."

FOWLER: In answer to your question, Senator Clinton, number one, this has been an independent panel. No one has given us any directions as who to include or exclude in our recommendations, in our review. We have operated totally independent of anyone in any place of leadership at the Pentagon or here on the Hill. That's been the good news, and we've operated in a very fair and transparent manner.

It has been our opinion, as stated earlier -- we can't make an official recommendation, but I stated in the press conference in answer to a question on Monday and, again, I stated in my beliefs this morning, was that, in the information that we have uncovered, that we uncovered in our investigation, we could not find a reason to call for an investigation of the current leadership. But we could certainly find reasons to call for investigations of prior leadership when we saw, time and again, lack of action on the part.

From what we investigated and learned, this leadership, once it was brought to their attention, which was early this year, then they did take immediate action. The agenda for change was issued before the working group report was finalized. I mean, they got the interim report, and they moved forward and put out that agenda for change, which needed to be done. You had young women cadets arriving at the academy in June. They could not let those current procedures, the ones that were in place before then, stay in place.

So, we commended their action. Even though we didn't agree with everything in it, it was better to move forward and get some changes started being made than to sit around waiting on, you know, all these reports to be finalized.

NARDOTTI: Senator, I would just say that there was a lot of emphasis on the past leadership because of something I said earlier, the assumption that nothing could be done about the past leadership. And it was our very strong opinion that something needed to be said about what we concluded about past leaders. Not much really needs to be said about the current leadership because they're still in place and action can be taken.

So, there was nothing that the report has said as far as saying that no action should be taken. We didn't find any, and certainly the leadership of the Department of Defense and certainly the Congress has options that can be applied against the current leadership that

are simply not available with respect to the prior leadership, and they should not be omitted merely because of the passage of time.

BUNTING: Senator, my colleagues, I agree with all of them, in that the focus, of course, when we began was certainly on the problem itself and how it developed, and we were trying to get at that issue, "How in the world could this come about?" So, our focus was somewhat on the past.

Be that as it may, as we began to continue our hearings and individual comments, it was obvious that this was the overused term, "a systemic problem." And, yes, at no point did we consider anyone exempt -- current, former, future -- anyone exempt from any of our recommendations, such as they were at the time or would become. And let the chips fall where they may. If there are current problems, and as the report suggests, we think the DOD IG should have a closer look at this, then that should be done, meaning current leadership should be held accountable.

SATEL: Yes, I say the same thing. No one certainly told us how to conduct or limit...

WARNER: Can you speak up just a little bit?

SATEL: OK, sir. No one told us...

WARNER: Thank you. Now we're talking.

SATEL: All right -- that we should limit our investigation in any way.

WARNER: Would you start from the beginning again? Thank you very much.

SATEL: OK. Sure. I said in agreement with my colleagues, that we were in no way instructed to limit our investigation.

SATEL: We did find Secretary Roche responsive, but the IG of the Defense Department, and this committee as well, will have an opportunity to pursue with him whether or not, in fact, you feel he did live up to his responsibility.

CLINTON: Well, I thank the panel.

And I thank the chairman for helping to clarify that prior doesn't mean a long time ago, that there has been a continuing set of issues that I think we need to leave open with respect to both prior and present leadership.

And as the colonel rightly said, "Let the chips fall where they may," based on whatever this committee continues to investigate; and with a very strong admonition to the DOD inspector general that by no means is there any agreement on this committee that any current leadership is exempt from a thorough investigation; that the plain words of the recommendation should be taken exactly as they are presented.

Thank you, Mr. Chairman.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON OPERATIONS AND RECONSTRUCTION IN IRAQ, 9/25/2003

CLINTON: Thank you, Mr. Chairman.

I join with my colleagues in thanking each of you for your service.

Ambassador, when you appeared before the Democratic Caucus on Tuesday, you were specifically asked whether there would be any further requests for funding, beyond the \$20 billion that has been requested now.

CLINTON: Your answer was, "No, this is it." Is that still your answer?

BREWER: Yes.

What I said was we will not ask for a supplemental like this. If there is any further need, I would anticipate -- and I made this point to the Appropriations Committee yesterday -- any further requests will be done through the normal appropriations process. In other words, it will come forward as part of the regular appropriations process, the 2005 budget presumably, early next year.

CLINTON: So, in other words, what many of us heard in the caucus, which is that the \$20 billion was the end of the requests with respect to financial resources, means somewhat differently today that it was to be construed as not a request for additional supplementals but there may be additional money for reconstruction and related costs that would come through the regular budget system.

BREMER: Yes, Senator.

And I'm not trying to be cute here. There are a lot of unknowns. We know there's a big gap. We know that the World Bank says there's going to be a need of \$60 billion over the next four to five years. We're asking for \$20 billion here.

We're hoping we'll get a substantial amount from the donors' conference, but that's an unknown.

The Iraqi government is going to have to do its own 2005 budget, which hasn't yet been started. We just finished the 2004 budget.

So there are a number of moving parts here that will have to be pinned down in the next four to five months before the administration puts together its regular 2005 budget request. But I would anticipate if we need any more money, it will come through the regular appropriations process.

CLINTON: Well, Ambassador, I join with both Senator Collins and Senator Nelson in urging the administration to look for a way that there can be some assurance to the American people that we will be in line at least to receive payments from a future Iraqi government.

And given all of the talk about the Marshall Plan, I think it is instructive that President Truman required a dollar-for-dollar match from beneficiary countries. So we would hope that you would be more open to such a possibility than we've heard thus far.

I just want to ask a few specific questions. You know, also at the Democratic Caucus, you said that 535 copies of this coalition provisional authority plan were sent to members of Congress in July. I can only speak for myself; I didn't see it until this week.

But in looking at it, with respect to the security section and the specific points that are included -- to defeat internal arm threats, undermine support for paramilitaries, deter external aggression, locate secure, eliminate WMD, eliminate munitions caches -- we need more specific information. Those are all very laudable goals. We all want to do all of those things, and we know that you are working very hard to achieve them.

But let me just try to get on the record so that I have some benchmark against which to judge this. First, how many members of the Iraqi army are there at this moment?

BREMER: The Iraqi army has one battalion, which is about 750.

CLINTON: Seven hundred and fifty.

How many troops do you plan to train for the Iraqi army in the next year?

BREMER: You won't find it in that plan because we've updated it. We plan to have 27 battalions ready by August next year.

CLINTON: And for the purpose of the record, how many people are we talking about?

BREMER: Forty thousand.

CLINTON: Forty thousand within the next year?

BREMER: That's correct, Senator.

CLINTON: OK.

Now, in May or June, I know that there were press reports that while members of Congress were visiting Iraq, a previous estimate was that you would have 7,000 trained. How have you increased that number so dramatically?

BREMER: Because, Senator, one of the things we are trying to do now is get the Iraqis more responsible more quickly for their own security. That's why you find the large number of \$2 billion in the supplemental to train the army. We want to do what we were planning to do in two years, in one year.

The same is true for the police. If you looked at our planning back in June, July, we were planning to train a police force of about 75,000 to 80,000, but I was told it was going to take almost six years and I said "That's simply too long. We have to do it faster."

BREMER: So the plan now is to do it in the next 18 to 24 months. And you have another \$2 billion in the supplemental to make that happen.

CLINTON: And the goal for the number of police is what?

BREMER: About 75,000 to 80,000 in the next 18 to 24 months.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON SEXUAL MISCONDUCT ALLEGATIONS AT THE AIR FORCE ACADEMY, 9/30/2003

CLINTON: Thank you, Mr. Chairman. And I apologize that other commitments required me to leave this very important hearing. I have tried to follow from a distance the questions that have been asked. And obviously I know that our panel appreciates the extraordinary and profound concern and sadness that I think all of us feel about this situation. I don't want to go over already plowed ground. But I wanted to ask a few specific questions which I don't believe have been addressed. And it is more in the terms of going forward.

We heard last week from the panel that reported to this committee that in their report, they are critical of the effective elimination of confidential reporting as called for in the agenda for change. The panel found that the agenda for change's elimination of confidential reporting -- and I quote, "creates a significant risk that victims will not come forward at all and thus lose the benefits afforded by professional counseling," to say nothing of the issues about reporting assaults and improper conduct.

In light of the panel report, Mr. Secretary and General, will you reconsider the value of confidential reporting?

ROCHE: Yes, ma'am. One of the wonderful things about that panel is we were able to have a dialogue. And they were as torn as we between privacy and confidentiality, between the fact that we were developing aspiring officers who have an obligation to tell us when there is a felon in their midst. The work that they came up with, the notion of the psychotherapist who can provide counseling and not be part of the chain of command so that we can worry about a particular cadet who has gone through trauma and deal with the trauma of that cadet and then try to bring her to the chain of command where we can then avoid the problems of the past where nothing happened. Or even if we can do such things -- one of their witnesses testified that there's not an inherent conflict if you think of it on a temporal basis. If right away you do what you have to do in terms of rape kits, et cetera, but you tell the young woman, "Look, we're not going to go forward until you're OK and you're ready. But should you choose to go forward, we don't want to be precluded in prosecution because we don't have evidence."

Ms. Fowler and I have spent hours trying to think that through. One of the things that General Jumper and I are doing is we're going to look at the suggestions there, not just for the Air Force Academy -- because if it's good enough for one of those young women, it's good enough for one of our young women at Hunsog (ph). And do it for both.

ALLARD: Would Senator Clinton yield on that?

CLINTON: Yes. Because that's really an important issue. And visiting with the chairman on the Fowler commission, she had indicated that this something that the panel, that commission really struggled with. And finally, they went to the Naval Academy. And my understanding is that this is a process that's currently followed in the Naval Academy or something very close to it where they actually have a two -- there's a turn in the road here. You can either go with a public disclosure or with a (inaudible) or the psychotherapist and the patient, doctor relationship there and keep it private if they decide to do that. And so, your response to her question is that yes, you think that's a possible credible solution?

ROCHE: We want to work at that, Senator. And we think there is a way to do it. But we don't want to do it just for the Air Force Academy. We want to do it for the whole Air Force.

ALLARD: Senator, that's a very important question that Senator Clinton brought up. And thank you for letting me interrupt you on that.

CLINTON: No, I'm...

WARNER: Your time will not be docked for the colloquy.

CLINTON: thank you, Mr. Chairman.

And I appreciate my colleague, Senator Allard's intervention there because no one has worked harder on this issue. And I think in addition to Annapolis, I believe West Point has a similar approach. So I think, though, that it is important that the agenda for change be changed in light of the panel's findings and further consultation with experts.

I think it's also important to look at the agenda for change with respect to the panel's conclusion that it did not address the need for permanent, consistent oversight by Air Force headquarters leadership as well as external oversight by the academy's board of visitors. In fact, I think Chairman Fowler made a very telling point when she said that often times the board of visitors didn't attend meetings, they weren't involved, it did not have either the prestige or the participation that one would expect.

So have you done any self-examination about what better oversight and leadership can be provided by both headquarters and the board of visitors?

ROCHE: Yes, ma'am. Already we have in place a mechanism to provide the oversight of the academy that has a senior level group which consists of the vice chief of staff of the Air Force, uniform side, the assistant secretary of the Air Force for manpower to represent me, the general counsel and the superintendent. There is a working group below that. We put a

one year sunset clause on it in order to get everybody to get everything done from these panels in one year. But it's our intention -- and the Fowler report recommends, commends us for this and recommends that we institutionalize and make it a permanent. And we will do so so that we don't have a situation that Senator Collins raised earlier of things coming up that never come up to senior level attention.

CLINTON: And finally, as you know, Secretary Roche, I have been discussing with you the importance of mentors and role models in setting acceptable standards of conduct for cadets. And in their report, the panel includes several recommendations for better training of cadets. It recommends that the staff and faculty place a renewed emphasis on education, on character education, on the encouragement of responsible consumption of alcohol by cadets. And that overall the panel found that the agenda for change did not go far enough to institute enduring, permanent changes in culture and gender climate at the academy. Now I assume you also agree that the agenda for change has not gone far enough in that direction.

ROCHE: It was a bet that Jumper and Roche could do in 90 days. We were very willing to have it expanded, to be challenged. And, in fact, the cadets have given us some good ideas. And we will follow up with each of those items because we think there is more to do.

We have some good news finally. The air officers commanding this time that the academy picked, they picked the best, and the system provided them instead of giving them 50 reasons why it can't happen. We are sending people off to school.

One cadet suggested we were not teaching the uniform code of military justice early enough to cadets. We now have changed that. And early on when they get there in this fall semester, we'll be doing a lot of education about the uniform code of military justice.

Through all of this, Senator, an interesting point to the chairman about joy is that the cadets are now feeling a heck of a lot better about themselves and the place, and they're actually starting to have some fun because they know what the boundaries are, they know how serious we are. And they're making the point that the morale has improved dramatically this year as compared to this point last year.

JUMPER: Senator, if I might pile on, let me just say once again that there's no belief on the part of this set of leaders that this is a short-term problem with a short-term solution. So that the character and the integrity issues, the honor code issues have to be dealt with over a period of time. This is going to be a subject of intense education, of engagement by our own four star level officers with the cadets personally. We've already begun that, and it's going to take a while.

CLINTON: Mr. Chairman, I know my time is expired. I think it might also...

WARNER: Senator, if you want to take another minute or two, please do.

CLINTON: Well, I think it might also be useful -- and I've spoken to the secretary about this and will certainly try to provide some names of people who could be helpful. But I think it would be useful to invite some outsiders perhaps to address the cadets on some of these issues. And I would particularly recommend some women leaders. You know, I think of my colleagues, Senator Collins, Senator Dole, Senator Hutchison, others, Senator Landrieu, people who have served on this committee, people who have insight into the code and the standards of the military. I really, having now immersed myself in the information and particularly the impressive work of the panel that we heard, there's a real disconnect on the part of many of these young men between the profession and the service that they are pledging their lives to and the expectations that the leadership of that service has, but even more, the expectations of the leadership of their country and the broader citizenry has.

I think it might be useful to have some real airing sessions. Perhaps if she hasn't, Chairwoman Fowler and others -- I really do think that these young men, to be very blunt about this, need to see some women in leadership positions and need to have the give and

take and need to hear from women of stature and position that times have changed and that to be a leader today means more perhaps than it did in the past in terms of sensitivity. And it is troubling to me to think that among the many efforts that young men and women in the Air Force have undertaken in the last two years to free women in Afghanistan and free women in Iraq and then to hear about attitudes of young men at the Air Force Academy that are very reminiscent, frankly, of those attitudes that were part of the Taliban's approach, part of the reaction toward women going to school, being part of leadership. So I think that perhaps some kind of a speaker session, some kind of an effort to really present the cadets with the leadership examples and to challenge them and to challenge the ideas that they may have either brought with them or acquired would be a start to this process.

ROCHE: Senator, we agree. And, in fact, we are organizing (ph) some things. There's a little bit of good news. About three weeks ago for the first time in the history of the Air Force, we awarded four distinguished flying crosses for heroism in battle to women aviators. First time. Now when they go to the academy, no male, no male can look down on them.

Secondly we began training pilots, women pilots in 1978. The first class of graduate women was 1980. That class and the two, '78, '79, '80 are just now coming up through general officer ranks. They're not going to be specialists. They're going to be honest to goodness pilots, navigators, et cetera, who will be the right kind of role model. I think we are only one generation away from a commandant who is a woman, general, pilot, warrant officer and not long thereafter a point where we will have a woman superintendent.

ROCHE: But there are increasing role models. And we have found that the academy brings in the wrong kinds of people. In a management course, for instance, Senator, instead of bringing in successful Air Force officers who were graduates, they bring in successful businessmen who left after five years and went out and made a lot of money. Well, we found that out and we said, well, that's silly. There are a whole bunch of terrific officers who are serving on active duty. Why don't you bring them in? Or bring some retired officers in. Not bring business people who left right away. So we are working on that.

CLINTON: Bring some women in.

U.S. SENATOR JUDD GREGG (R-NH) HOLDS JOINT HEARING ON NIH REAUTHORIZATION, 10/2/2003

CLINTON: Thank you, Mr. Chairman. And I welcome all of our House colleagues to the Senate and our witnesses.

I appreciate very much the opportunity to have this joint hearing. I think this is a very good example of the kind of cooperation that we actually need more of. And so, I appreciate this effort here.

And to the witnesses, I thank all of them for their years of work in their various capacities, and I'm delighted to see my constituent and friend, Dr. Varmus, here today.

I wanted to ask about comparative effectiveness. I know that in the past the NIH has funded some studies, such as evaluating the comparative effectiveness with respect to some of the high blood pressure and other issues. I know that last December the National Heart, Lung and Blood Institute published a study correcting the assumption that newer drugs, such as the calcium channel blockers and the ACE inhibitors, which cost 30 to 40 times more than

diuretics, which had been the long-term treatment for high blood pressure, that, in fact, the newer treatments were less effective than the old-fashioned diuretics.

Then, in January of 2003, another NIH-sponsored study compared two glaucoma drugs and found that despite the fact that one of them, latanoprost, was more popular, another, bimatoprost, was more effective.

Now, this is the kind of information that patients and clinicians desperately need, and it's also important because oftentimes the new therapy is not more effective but much more expensive. So this has cost implications as well. Yet these types of comparative, head-to-head studies are too few and far between.

Why has NIH not been able to provide more research in this area, which I think really falls within the definition of the work that should be done by the NIH? It's not cutting-edge research, but it is extremely important to actual medical care. And what would you recommend that we could do to improve comparative research?

Dr. Zerhouni? Dr. Varmus?

ZERHOUNI: This is a very good question because, as you know, drugs are approved relative to a placebo. And when they come into practice, they are not really compared to placebos. They're compared to other drugs.

Doing clinical trials of this nature is extremely expensive. The entire budget of NIH wouldn't suffice to address all the questions. It is very, very expensive unless you have an infrastructure that's designed for that. That's actually one of the goals of the roadmap, to have an informatics infrastructure that links patients and understands what prescriptions have been prescribed so that we can detect trends very quickly.

Let me give you two examples. One is the women's health initiative. I think if the country had had a system like this, we would have discovered much sooner and we wouldn't have had to spend hundreds of millions of dollars on the women's health initiative that the dogma that long-term hormone therapy was good was incorrect.

When we make selections, and you've mentioned NIH studies of comparative effectiveness, we have to look at the public health impact. In the case of high blood pressure, it is such a public health issue, we have to invest. When you look at glaucoma, it is such a major rising cause of loss of vision, we have to invest.

So again, we want to do research of that nature if we have the means and it doesn't imbalance the need for us to advance on the fundamental level, but we have to realize that we have limits, and our limit is set when we see that millions of people are affected and our public health estimates indicate a need for that study.

The closing statement I would like to make for you is, we decided to do the women's health initiative against much opposition at the time. Because as public health experts, if only a thousand people take a drug and there's a 1 percent complication, it affects 10 people. But when 10 million people take the drug, then it's a million people. So for us, obviously, as a drug or as a pattern of factors affects more and more people, effectiveness studies become more important.

CLINTON: Dr. Varmus?

VARMUS: I'll make just a few additional comments. Obviously, I agree with what Dr. Zerhouni said.

In many clinical trials, of course there are comparisons between the standard of care and a new therapy.

VARMUS: But there may be multiple standard therapies and getting the comparisons of the sort you alluded to may not always be possible because of the high cost of doing clinical trials. The NIH is sometimes in a better position than the pharmaceutical industry from a

certain point of view to do the kinds of advanced trials that you're alluding to because the drug industry has very little incentive to do studies of drugs that have already been approved. And therefore, this is a particularly attractive role for the NIH. Nevertheless, so-called phase four studies, advocacy studies of approved drugs, are expensive. They require large cohorts of patients.

We have a difficulty in this country in that not enough of our care is administered in the context of a clinical trial. In the case of adult cancer, for example, progress has not been as fast as you and I would have liked because only about three percent of the adult cancer population is in a clinical trial in contrast to what's happened in pediatric cancer.

So it's important that we mobilize the resources of NIH and patient populations and community physicians as the roadmap plan does to try to include -- to build an infrastructure that will allow the trials to occur with less expense because there are existing mechanisms for doing the trials. And in that way the roadmap plan could lead to more studies of the kind that you're suggesting.

CLINTON: Thank you.

U.S. SENATOR JAMES M. INHOFE (R-OK) HOLDS MARKUP ON LEAVITT NOMINATION, 10/15/2003

CLINTON: Mr. Chairman, could we have a recorded vote?

INHOFE: Yes, let's have a recorded vote, and I would ask at this time for the clerk to call the roll on the confirmation of Mike Leavitt to be administrator of the EPA.

CLERK: Mr. Allard?

INHOFE: Aye by proxy.

CLERK: Mr. Baucus?

(UNKNOWN): Aye by proxy.

CLERK: Mr. Bond?

BOND: Aye.

CLERK: Mrs. Boxer?

Mr. Carper?

CARPER: Aye.

CLERK: Mrs. Clinton?

CLINTON: No.

CLERK: Mr. Cornyn?

CORNYN: Aye.

CLERK: Mr. Crapo?

CRAPO: Aye.

CLERK: Mr. Graham?

GRAHAM: Aye.

CLERK: Mr. Jeffords?

JEFFORDS: Aye.

CLERK: Mr. Lieberman?

(UNKNOWN): No by proxy.

CLERK: Ms. Murkowski?

MURKOWSKI: Aye.

CLERK: Mr. Reid?

REID: Aye.

CLERK: Mr. Thomas?

THOMAS: Aye.

CLERK: Mr. Voinovich?

VOINOVICH: Aye.

CLERK: Mr. Warner?

INHOFE: Aye by proxy.

CLERK: Mr. Wyden?

(UNKNOWN): Aye by proxy.

CLERK: Mr. Inhofe?

INHOFE: Aye.

CLERK: (OFF-MIKE)

INHOFE: The chairman would declare that we are moving this nomination to the floor and that the passage of the nomination is taking place in the committee.

Senator Graham?

GRAHAM: Mr. Chairman, I'd like to make a statement...

INHOFE: Well, we are going to take them in the order that we have. Senator Clinton would be the next one in order, if that's all right.

CLINTON: Mr. Chairman, I would yield to my colleague, Senator Graham. We're so happy to have him back. I would like the benefit of having him speak.

INHOFE: Would you like to change positions then?

CLINTON: No, we're both not running for president. So I thought I would just let him go ahead.

(LAUGHTER)

(UNKNOWN): Mr. Chairman?

INHOFE: Yes?

(UNKNOWN): Before Senator Graham begins, I do have to leave. May I submit my statement for the record?

INHOFE: You certainly may.

Would you like to defer to Senator Crapo?

(UNKNOWN): I don't mean to make a statement, I just mean to submit it before I leave.

INHOFE: All right, it will be a part of the record at this point in the record.

(UNKNOWN): Thank you very much.

INHOFE: Mr. Graham? And welcome back again.

GRAHAM: Well, thank you very much, Mr. Chairman.

Because of other employments that I have recently had, I have not had an opportunity to personally meet or discuss in the committee the views of Governor Leavitt, and I look forward to doing so before the time that the Senate votes on his confirmation.

But my standards for a judgment on the confirmation of a presidential nominee are, first, to give a presumption of confirmation to the president's recommendation, especially when the individual will serve essentially at the pleasure of the president. This is a person that the president is comfortable and supportive with; I give a presumption to his judgment.

Second, I also recognize the reality that environmental policy in this administration is not being set at EPA or the Department of Interior, but rather at the White House. And therefore the standards for the nominee is how effective he or she can be in dealing with the White House in terms of developing appropriate public interest policy.

I have worked with Governor Leavitt on the issue of the extending state sales tax to distant sales such as Internet sales. This is a position that his position is not one which has been consistent with the administration's, but I have seen him work effectively with the administration to try to shape a policy that would be both appropriate for the states and one that would be acceptable to the other interests involved.

I admire the contribution that he has made in this area and hope that that is illustrative of the kind of consensus building that he will bring to the EPA.

Therefore, for that reason, I voted in favor of this committee's recommendation of his confirmation. I withhold a judgment as to how I will vote on the floor based on my anticipated early meeting with Governor Leavitt in which I'll have a further opportunity to discuss specific environmental policies and how he would intend to try to move the administration towards a more public interest in policy than I think they have pursued in the past.

INHOFE: Thank you, Senator Graham.

Senator Cornyn?

CORNYN: Thank you, Mr. Chairman.

First, I want to just express my gratitude to the committee for voting out the nomination of Governor Leavitt for administrator of the EPA. I think, unfortunately, that the delay in the vote was really not a disagreement about his qualifications, as I think we all recognize, but instead was used as a platform for other purposes.

But I believe the delay in the confirmation was not good for the environment and I'm glad the committee has seen fit now to vote out his nomination, and it will go to the floor.

I also want to commend the chairman for moving S. 1066, a bill that I introduced with Senator Hutchison that makes necessary technical correction to designate the Matagorda Dunes home subdivision as an undeveloped coastal barrier.

The John H. Chafee Coastal Barrier Resources System was put in place in 1982 to discourage development on certain coastal barrier islands and shorelines by restricting eligibility for federal assistance such as wind and flood insurance. Home sites and subdivisions that had already been developed, however, were exempted from the system's protected zones.

The Matagorda Dunes subdivision was platted and the necessary electrical service and water supply infrastructure installed between 1976 and 1979. This development prior to 1982 exempts this section from the T07 unit of the Chafee Coastal Barrier Resources System but an admitted mapping mistake by the U.S. Fish and Wildlife Service accidentally included the subdivision in their maps of Unit T07 back in 1982. This error only came to light in 2002 when the subdivision's homeowners were notified that they could no longer purchase flood or wind insurance.

U.S. Fish and Wildlife Service has now conceded that the maps were wrong, but a legislative correction was necessary at this stage because the maps were made permanent 180 days after enactment of the system. Senate Bill 1066 will correct this error and remove the Matagorda Dune subdivision from Unit T07 of the Chafee Coastal Barrier Resources System.

I want to thank, again, Chairman Inhofe, Senator Jeffords and Senator Crapo for their work and willingness to move this important legislation, and I'll yield back the remainder of my time.

INHOFE: Thank you, Senator Cornyn.

Senator Clinton?

CLINTON: Thank you Mr. Chairman. And, Mr. Chairman, I want to associate myself with Senator Graham's remarks about how it appears that environmental policy in this administration is set at the White House, not at the Environmental Protection Agency, which is one of the underlying concerns that I and others have about any nomination to this important position.

I have a very high personal regard for Governor Leavitt. I have known the governor and his wife Jackie for a number of years. I've communicated that high regard to him privately and I want to say it very clearly here publicly.

But I think any fair reading of this administration's environmental policies demonstrates that at the very least, they are controversial, and from my perspective, they are damaging to our long-term environmental and health perspective.

So I thought that the governor had a high standard to meet in terms of providing information to this committee about his policy views and the direction that he would take the EPA.

So I listened very carefully to his testimony before this committee, I reviewed the answers that Governor Leavitt provided to me after the hearing, and like my colleagues on this side, I thought that the governor did not adequately respond to some of those questions.

I'm well aware that, again, the White House drives this process, so I assume that it is the White House that is not responding adequately to these questions.

We resubmitted a number of questions we thought needed more expansive answers, and the governor did provide additional responses. Some of my colleagues felt satisfied with that additional information. I did not.

Therefore, I did vote no today, because I continue to believe that we need more information about the direction that Governor Leavitt would lead this important agency.

In addition to that, Mr. Chairman, I continue to seek answers and actions with respect to the EPA and White House's response to the air quality issues following the 9/11 attacks. As we know, the EPA inspector general, in an independent report, raised a number of serious problems with the EPA's response and pinpointed, once again, the disturbing trend of the White House interfering with science and expertise for their own purposes.

The IG found that the White House had modified several EPA releases about air quality in lower Manhattan in a way to make them more reassuring than was warranted by the data available at the time. And I want to thank Senator Jeffords for continuing to focus on this important issue.

We did receive some additional information from the EPA that included some of the communications that occurred between the EPA and the White House Council on Environmental Quality, including reports of shouting matches between CEQ personnel and EPA personnel in which, apparently, the White House personnel ordered the EPA personnel in quite heated exchanges to change press releases that had been agreed upon to reflect the best thinking at the time of the experts at the EPA.

In addition, the IG found several gaps in the testing information collected by the EPA regarding indoor air quality. That continues to be a great concern of many of my constituents.

And, you know, Mr. Chairman, what I try to do in this position of trust that I am honored to hold as the senator from New York is to put myself in the position of a senator from any other state, faced with the same set of circumstances. I agree with the administration when I can, and I disagree when I must.

But when it comes to basic issues of health and safety, I don't believe any other senator representing any other state in similar circumstances would do anything other than what I am doing, which is to seek answers and actions to respond to these legitimate concerns that have been raised.

I'm hopeful that during the course of discussions that we are involved in now with the White House and the Council on Environmental Quality that we will be able to resolve these matters. I'm not interested in any kind of political statement. I'm not interested in a hold for the sake of a hold. I'm not interested in this nomination in taking on everything that I disagree with in the environmental record of the administration. But I am committed to receiving the response that I think any senator would expect from the White House under these circumstances.

I believe it's imperative that we resolve this issue to restore people's confidence in their government and to assure New Yorkers that the risks they face from indoor air contamination have been properly addressed, but until I receive a satisfactory commitment from the White House, I will continue my hold on Governor Leavitt.

U.S. REPRESENTATIVE TED STRICKLAND (D-OH) HOLDS NEWS CONFERENCE ON VETERANS' HEALTH CARE, 10/22/2003

CLINTON: Well, I want to thank my colleagues for their years of leadership on these issues. Everyone who has spoken is someone who has been committed to providing adequate support for our troops and for our veterans going back through many presidencies and, indeed, through all kinds of challenges and crises.

But we're here today because we seem to have a disconnect between our historical support for our troops and our veterans and the policies of this administration and it's very troubling.

I think you could sense some of the emotion in the remarks of each of my colleagues that we are facing an administration that, even in the face of overwhelming bipartisan support to remedy some of these difficulties, says no, and sends out threats that they will veto or disapprove the kind of efforts that we are trying to succeed in implementing.

Now it's absolutely clear from my travels around New York, just as all of my colleagues in their own states, that the issue about health care for our reserves and the members of our National Guard is at the top of the list.

That's why I was pleased to be an original sponsor, along with my colleagues on both sides of the aisle, to make it possible to provide options for Guard and Reserve members and their families.

That's the TRICARE amendment that we are referring to. And it would allow these brave men and women to have a chance to buy health insurance, either through TRICARE or to keep another policy if they had it.

And we call upon the president to strongly support this. It is not too much to ask. It is, in fact, the right thing to do.

CLINTON: At the same time that we are acting to improve the health care coverage for our National Guard and Reserves, it's important that we adequately provide health care to our active duty troops.

And as Senator Leahy referenced, there have been several disturbing news reports over the treatment of soldiers returning home from Iraq. Active duty, National Guard, Reserves, it didn't matter when they were in the line of fire outside of Baghdad; when they came back they were injured they deserved the same kind of medical care that we have provided historically to anyone who was the victim of conflict.

Unfortunately, these press reports indicate that hundreds -- hundreds of sick and wounded soldiers are waiting in hot cement barracks sometimes for months until they can see their doctors.

Our soldiers deserve better and I anxiously await the report from Senator Leahy's staff and today I'm sending a letter, as a member of the Armed Services Committee, to Senators Warner and Levin, as well as Chambliss and Nelson, to call for hearings on the adequacy of the health care being provided to our troops in Fort Stewart and elsewhere.

This is a very disturbing series of reports for a number of reasons. But one of which is that, during the Clinton administration I chaired an effort to get attention to the physical and mental health problems of our returning Gulf War veterans. And we finally created a commission and we made some real steps forward in providing ongoing treatment to many of those soldiers who went to the Gulf healthy and came back with undiagnosed and difficult problems that did not for a long time get adequate medical care.

I cannot believe that we are hearing the same kinds of stories now. Where we have young men and women who went to Iraq healthy and now are suffering from not only the results of conflict but from other kinds of diseases and symptoms that are not being given adequate attention.

In a number of hearings leading up to this engagement I asked specific questions of the Pentagon, "Are we prepared to take care of our returning active duty soldiers?"

And it fits in perfectly with Senator Mikulski's amendment. These young men and women are about to become veterans.

CLINTON: Some of them will not be able to continue active-duty service because of their injuries and whatever other physical and mental conditions they have developed. They will go into the VA system.

So on the one hand, we're not providing adequate care for our active duty, our National Guard and Reserves, and on the other hand, we are cutting the budgets for the VA system.

It's perfect storm. It does reflect well on the quality of care that should be forthcoming or on the values of this country.

So we join in trying to send a message to this administration that it is time for them to back down and be concerned about the people that they are sending into harm's way.

And it is especially troubling when you pick up the paper and you read a leaked memo -- or maybe not leaked, maybe provided to the press by the secretary of defense -- wondering whether we're doing the best job we can do in fighting the war on terrorism.

I mean, this administration is fighting a war within itself. It should not take out its internal struggles against those who are actually fighting the real war in Iraq, Afghanistan and elsewhere.

STRICKLAND: Well, I'm happy to be here with my Senate friends and colleagues.

The record of this administration in terms of treatment of veterans is scandalous and it is hypocritical.

At a time when the president was preparing to send our young soldiers and some of the middle-aged soldiers into war, he sent us a budget. And in that budget he asked that we have a \$250 annual enrollment fee imposed on priority seven and eight veterans.

He asked that there be an increase in the prescription drug costs, from \$7 a prescription -- which had just been recently increased from \$2 a prescription -- from \$7 to \$15 a prescription.

The secretary decided that we would create a priority eight group of veterans. And because they were considered higher income, they would no longer even be able to enroll in the VA health care system. These persons could be combat-decorated veterans and excluded from the VA health care system.

And in my distressed district in Ohio, you could make as little as \$25,000 a year and be considered higher income under this provision and be deprived of VA health care.

What's happening to us?

During the House of Representatives budget considerations earlier in the year, we promised veterans that we would increase the budget by \$3.2 billion. However, we fell \$1.8 billion short of meeting that commitment and that goal.

STRICKLAND: Today we have veterans who are doing without and going without. It is a shame.

Talk is cheap and we hear a lot of it in this capital. But health care costs money. And we ought to be ashamed of ourselves, in my judgment, as a government, that we would treat our veterans in such a shabby manner. Our veterans deserve more.

And I am pleased that just yesterday in the House of Representatives we passed a motion to instruct the conferees on the emergency supplemental bill. We have asked to concur with Senator Mikulski's amendment -- the Senate amendment -- to add an additional \$1.3 billion to this budget. It passed the House by a vote of 277 to 139; a large step forward in trying to meet this critical need.

Now, we'll have to wait and see what happens. It was a strong vote in the House of Representatives and I think that ought to obligate those who are representing us in the conference to support the will of the House, to confer with this amendment passed in the Senate.

And that brings me to the word I used earlier: hypocrisy. Because it is important that we do what we say we believe and do what we say we're going to do. And I believe the veterans in this country and their families, their loved ones and all fair-minded Americans believe that we've got an obligation and we're not meeting it and shame on us, if we don't.

Thank you.

DASCHLE: I thank my colleagues. I thank Congressman Strickland for joining us.

And we'll take a few questions, if you have any.

QUESTION: Senator Graham had mentioned that he (OFF-MIKE) issue, there was a compromise proposed last week. Is that an acceptable solution to the problem, in terms of phasing in that coverage?

DASCHLE: Well, I would think that it's yet another down payment to the long-term goal of providing full concurrent receipt to all veterans.

I personally could accept it. I haven't had the opportunity to vet it with our caucus. But I think those who are 50 percent disabled and more certainly deserve priority.

As I say, that doesn't solve the problem, but it, again, addresses part of the problem, and if we keep building on it, ultimately we'll succeed. We'll take this, put it in the bank and continue to advocate until we have completed our work on concurrent receipt.

LEAHY: You know, an easy way -- still, the easy way is what we did in the appropriations bill when it went through. I mean, that's something that you have Republicans, Democrats, we all worked together on.

For the life of me, I can't understand why the administration threatens to veto the bill for the military and reconstruction in Iraq over helping those who are called up to fight the war. And I'm hoping that the Appropriations Committee will show independence and stick with that.

QUESTION: Senator Daschle, I was wondering how much bearing you think that the donors conference -- the results of the donors conference this week will have on the loan provision in conference in the supplemental. A lot of Republicans say they believe that it's all but dead, including Republicans who supported the loan provision. I was wondering if you agree with that.

DASCHLE: Well, I still believe that the strongest message we could send to donors is that we're prepared to forgive, but we also expect some degree of responsibility from Iraq themselves. That's all we're saying with this.

And we're setting the example. We're providing a good deal of the money in grant. If they forgive, we'd be prepared, I'm sure, to forgive. And that is the message that I think we ought to take to the donors conference.

I think a larger question about the donors conference is how much of a commitment from the international community can we expect. And if we aren't going to be able to achieve the goals that have been enunciated by this administration, why are we not doing a better job of convincing our international partners to be participants of greater consequence in Iraq today?

That ought to be the essence of our effort. And, frankly, I'll be disappointed and I think the American people will be disappointed if, as a result of that donors conference, the realization becomes all the more clear that the lion's share of the responsibility for Iraq will continue to be on the shoulders of American taxpayers.

CLINTON: That's especially hard to justify when there's no give on these other issues for veterans and other pressing needs.

You know, I think each one of us has a difficult time going home and telling our constituents -- I spent Monday testifying about the closure of a VA hospital in Canandaigua, New York, and yesterday, by satellite, about another closure in Montrose, near where I live, and it's very difficult to say, "Well, we just voted \$87 billion, including \$20 billion to build hospitals and schools and infrastructure in Iraq, and we can't find the money to keep VA hospitals open for our aging veteran population and the new veterans that we're making every day in Iraq."

It just doesn't add up. And I just, for the life of me, don't understand the administration's position on this, especially given their refusal to take care of home front needs, like the ones we're talking about today.

MIKULSKI: I think the administration needs to be more aggressive and more flexible in terms of international burden sharing. I think we have to be aggressive in really asking the world to support this effort to rebuild Iraq. And they can do it in three ways: They can send more people to help our troops, they can send cash to help with the construction, or they can forgive the debt that Saddam Hussein rolled up with them.

MIKULSKI: So there are three things they can do.

But they're also going to want something from the United States of America. If they're going to have international burden sharing, then they want to be able to have a role in terms of moving Iraq to a democratic society.

So we need vigor and we need flexibility. But quite frankly, they're very tepid in terms of pushing the international community. I want them to push the international community with the same effort that they pushed us to war.

GRAHAM: One additional perverse consequence of the United States supplying its reconstruction totally by grants, is that we are going to make every other creditor of Iraq that much more secure.

Many countries had essentially written-off their loans to Iraq as being non-collectible. If we go in and repair the bridges and the roads, the schools at our total expense, without any likelihood of reimbursement, we're making everybody else's debt that much stronger.

Some of the countries, specifically one of the countries, conducted itself in a manner before September the 11th, 2001, and I think after September the 11th, 2001, in a way that merits the United States condemnation, not its giving greater solidity to the loans that it has made to Saddam Hussein's Iraq.

I think that's an outrage. And I hope that the conferees understand the feeling of the American people and will not follow the administration's demand that they remove this loan provision, even in the face of a threat of a veto.

Isn't it ironic that the administration says it's critical now that we support the troops, but if supporting the troops also means that we do not give benefits to countries that were our enemies in the war on terror, that's a higher priority?

QUESTION: (OFF-MIKE)

DASCHLE: We'll take a look at what the final conference report presents itself to be. I think it'd be unlikely that we would oppose it. I think it's important for us to do all that we can to try to maintain what we have fought for all the way through this process: some degree of responsibility on the part of Iraq and a commitment from this administration to remember the home front.

DASCHLE: If we can do that, we will be much more supportive. But if we fail to do that, we'll take that fight to other bills as they present themselves in the Senate.

QUESTION: This Rumsfeld memo refers to a long, hard slog ahead in Iraq and Afghanistan. Besides probably needing some more veterans, what kind of implications do you draw from that memo?

DASCHLE: Well, I think Secretary Rumsfeld's comments are an illustration of the concern that they have about the failure of their policies in Iraq so far. There can be no other description of those words than that. They acknowledge that they have not succeeded to date.

I think what we all need, though, is a good yardstick, a measure by which we can judge progress and ultimately our success.

If we don't establish that yardstick -- and I think it ought to be one that people in Congress and the administration can agree to, so that we know just how we are progressing, we know when we have achieved success. We don't have that today.

Thanks, everybody.

END

"The Early Show," CBS, 11/16/2003

This coming Saturday marks the 40th anniversary of the assassination of John F. Kennedy. And even after all this time, millions of Americans remember exactly where they were when they heard the news. That's tonight's Sunday Cover--four Americans on how that day in Dallas changed their lives and the nation.

DAN RATHER (Anchor, "CBS Evening News"): I was in Dallas November 22nd and was supervising the plans for what we all thought would be a reasonably routine day.

Unidentified Man: (From file footage) Friday morning, 11:37.

ROBERTS: On that day 40 years ago, President Kennedy and his wife, Jacqueline, were on a political trip to Texas, first to Ft. Worth, then to Dallas. On that day, other Americans were going about their normal lives.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): I was in geometry class.

ROBERTS: One, a high-school girl who would go on to become a first lady, then a senator, was living outside Chicago.

Sen. **CLINTON**: Living in a very Republican community with my very Republican father. So I found myself on the other side of the political divide back then.

Mr. ROOSEVELT GRIER: I was out early, practicing.

ROBERTS: Another was already a household name, a defensive lineman for the Los Angeles Rams who admired the president who'd reached out to a civil rights leader.

Mr. GRIER: I said, 'Wow, if he called Martin Luther King, that means that he's aware of the situation that blacks are going through.'

Former Mayor RUDOLPH GIULIANI (Republican, New York): I was in Manhattan College.

ROBERTS: A third was a young college student already thinking about his future.

Mr. GIULIANI: Probably what he did was he put into my mind the desire to be involved in government.

ROBERTS: And then, in one moment that brought a nation to a standstill, Kennedy was shot.

Unidentified Man: (From file footage) Something, I repeat, has happened in the motorcade route.

ROBERTS: Who had done it? Why? Would Kennedy live? Dan Rather was one of the first to get through to Parkland Hospital.

RATHER: We had--a doctor tells me he's dead, a priest tells me he's dead, and someone high up at the hospital has told not me but our local station news director, 'He's dead. I think what we've got here is a dead man.'

WALTER CRONKITE (Anchor, "CBS Evening News"): (From vintage footage) We just a report from our correspondent, Dan Rather, in Dallas that he has confirmed that President Kennedy is dead.

ROBERTS: CBS was the first to report the news before the official confirmation. Rather was out on a limb for 10 agonizing minutes.

CRONKITE: (From vintage footage) From Dallas, Texas, the flash, apparently official: President Kennedy died at 1 PM Central Standard Time, 2:00 Eastern Standard Time, some...

Sen. **CLINTON**: We were all just stunned. Usually when teen-agers go into an auditorium or a field house, it's filled with noise and jostling and pushing and jokes. It was just totally quiet.

Mr. GIULIANI: Couldn't leave the car. I just sat there, I think, for--for about two hours. I just left the radio on with the car but not moving 'cause we didn't know where to go.

ROBERTS: Rosie Grier got the news from his coach.

Mr. GRIER: I mean, how could someone come in your house and kill a member of your family? We had been broken into as a country.

RATHER: As a journalist, I felt that immediately. Remember, it was just like a huge undertow, a whoof, down-pull of your head and heart, but then instantly behind that, you say, 'I can't think about that.'

ROBERTS: Businesses locked up. Schools closed. The daily routine of life interrupted. The assassin, Lee Harvey Oswald, was arrested. Then on the third day, Oswald was himself assassinated. And in what is still a controversial decision, the National Football League decided the game should go on.

Mr. GRIER: I don't know re--if we'd won or if we'd lost. There was no heartfelt in the game.

ROBERTS: For four days, the country was in shock, glued to the television, struggling to comprehend what had happened.

Mr. GIULIANI: The first time I can remember crying publicly, except maybe as a very little boy, was when John Kennedy died, particularly watching his son. I mean, his--that image is still--up until September 11th, that image was very much a part of my life growing up. And then on September 11th after that, to see little boys and girls standing there, looking at their daddy's coffin...

RATHER: The nation knew instantly that whatever had happened, we were being tested and that the nation's strength to get through the terrible time, it would depend on our unity.

ROBERTS: It would not be for decades, until September 11th, 2001 that the nation and a new generation would be tested in much the same way.

Sen. **CLINTON**: In both instances, we face a choice as a nation. We can either go inward, become fatalistic, fearful, feel as though America's best days are behind us, or we can summon our resolve and our resilience to go forward.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON ARMY ISSUES, 11/19/2003

CLINTON: Thank you, Mr. Chairman. Thank you for holding this hearing.

As you know, after the recent reports from Fort Stewart as well as reports about body armor, and then the survey that appeared in Stars and Stripes about the condition of morale, I and others asked that you do this and I appreciate it very much.

WARNER: Senator, you were among the first that came to me and suggested that we move swiftly on this.

CLINTON: Thank you, Mr. Chairman.

WARNER: I thank you for your participation.

CLINTON: Well, I could not agree more with our witnesses who have described this as a test of will that we cannot lose. And I also wholly endorse the description of our men and women in uniform as indispensable and performing selfless service.

I want to focus for a minute about the disconnect that I think sometimes seems to appear between what I know is our commitment to our soldiers and some of the statements and proposed policies that come out of DOD, particularly out of the office of the secretary.

You know, this issue about schools is one that I take very seriously because we have an all-volunteer force and one that I think deserves all of our support, and their families are also volunteers and they, too, deserve the support of a grateful nation.

In addition to the threatened school closings which were announced out of the blue as a possible action, we recently heard about some potential commissary closings abroad and at home.

I recently received a copy of a memorandum from General B.B. Bell, as you referred to him General Schoomaker, the commanding general of the U.S. Army, Europe and the 7th Army raising very strong objections to the proposed commissary closures in Germany.

And in addition to the specifics that he addressed with respect to transportation difficulties, weather difficulties and the like, he said: "The war is very, very real to our European-based families. I believe we owe it to our soldiers to provide compassionate care and service to their families while the soldiers are deployed in harm's way. Seeking relatively minor fiscal efficiencies through reduced services and loss of benefits in this overseas environment during a war erodes the commitment we have made to the total force."

And I could not endorse that more strongly and I'd ask unanimous consent that this memo from General Bell be included in the record.

WARNER: Without objection.

CLINTON: In this memo, he specifically talks about Germany, but apparently the proposal goes much further.

I know, for example, in my own state, they're talking about closing a commissary in Scotia, New York, closing the school at West Point. For the life of me, I do not understand this.

And I don't believe it's coming from the professional military. I believe it is coming from, you know, the planners and policymakers in the department and particularly again, in the office of the secretary.

So I would hope, both Secretary Brownlee and General Schoomaker, that you would make the strongest possible objections on behalf of these ill-advised proposals.

I recently did a call with one of the teachers from the West Point school and learned that General Lennox, now the superintendent, made very clear that this is a recruiting and retention device for, again, our all-volunteer service.

So these potential closings are of concern to me as the senator from New York, but far beyond that, as a member of this committee, looking at how we're going not only to continue the end force we need -- whatever it is decided that we need -- but also to take care of the families of those who I think will be rather continuously deployed around the world in the missions that we're going to be asking them to do.

So this is a wrong message to send. It is hard to justify when we just appropriated \$87 billion for the reconstruction of Iraq and the biggest defense appropriations we've ever had in the history of our country that we would be undermining the quality of life of our soldiers and their families.

So I've joined with Senators Kennedy, Leahy and Murray in writing directly to Secretary Rumsfeld, asking him to desist from taking any of these actions that would cut essential military benefits. And I would also ask unanimous consent that that letter be included in the record as well.

WARNER: Without objection.

CLINTON: And I would ask both of you, will you support these efforts to keep benefits like these available for our soldiers and their families?

Mr. Secretary?

BROWNLEE: Senator, we certainly feel the strongest sense of responsibility toward our families and we've not yet had a chance to engage on these issues. But I certainly agree with you on the importance of taking care of families. I was deployed twice in a combat theater and I can remember myself of most soldiers saying, "We'll do anything they ask as long as they take care of our families."

CLINTON: Thank you, Mr. Secretary.

And, General?

SCHOOMAKER: Ms. Senator, I think it's a great point. And I'd like to just read -- say again what -- I think we had this conversation in your office. You know, my father was in the Army for 32 years.

SCHOOMAKER: I grew up in the Army. I'm going on my fourth decade in the Army myself. I have a brother who is in the Army, been in the Army 25 years and happens to command a hospital down at Fort Gordon. And I have a daughter that's in her second year right now in Army ROTC, she went through jump school last August. And so I think of the Army with a big footprint. I mean, this is not something that's just academic to me.

And it goes back to the question that I think I answered earlier: What kind of volunteer Army do we have and what do we have to do to have it? And I think that the issues that you're raising here are central to having the kind of Army that we want to have. So I will tell you that not only do I support things like commissaries and medical benefits and all of these, but I support everything we need to do to incentivize the very top quality force that we can have.

I think it's absolutely important for this nation to do that and because we're going to go to war with what we have the day that the war starts and you cannot make up for that after we've got the emergency. So I'm sorry to go a little long on it, but this is more than academic as far as I'm concerned.

CLINTON: Well, and I appreciate that very much, General. That's very heartening and I know it comes from your heart and that means a lot.

And I would just add, Mr. Chairman, that I think as we move forward with many of the plans and recommendations that will be presented to us starting in the spring about further transformational ideas and the like, that we need to keep the personal in the middle of this; that the individual soldier, the individual family is not some ancillary aspect of this transformational approach.

And I sometimes worry that with some of the things that are said and some of the other moves that, frankly, were made at the highest levels to hold down growth in pay and benefits, to stand against efforts to fix the problems with charging wounded soldiers for their meals and things that just made no sense in the great scheme of things fiscally and morally, that we keep this in mind. And your words will certainly be a good beacon to lead us in that way.

I thank the general.

WARNER: Well, Senator, the letter that you made reference to and your important questions this morning underscore the role of the Congress as a co-equal branch in working with the executive branch, which is the Department of Defense.

WARNER: We have our own views. We draw on our own experience -- as in the case of Senator McCain, the military; as in the case of yourself, you're concerned about the schooling which is just as important as to whether or not, in many respects, the equipment works.

Now I'd like to take just a minute to ask a question which I think should be included in your response to the senator. Having worked in that building over five years myself, in the Navy Secretariat, someone made that decision. Did you just awaken someday and a memo came across your desk? Was the Department of the Army consulted? Were you involved in the decision process by which these reductions in the commissaries and the schooling were made?

In my day, we were very much involved in it. And when this committee eventually gets around to looking at the Goldwater-Nichols Act and revising, then I think more authority has got to be restored to the secretariats and the chiefs of staff, that's just a side bar.

A little warning, let it filter across the horizon, because I'm going to be here a lot longer, thank God, a lot of these folks over there.

We got to look at this. We got to look at this. Now, in response to the question, how was the decision made? And was the Department of the Army involved?

BROWNLEE: Senator, I will check, I don't think the decision has been made yet. I think there are people who have gone out and assessed and made recommendations at some level, but nobody has told me that a decision's been made on this.

WARNER: All right, then, General, do you have any further information?

SCHOOMAKER: I received General Bell's memo two days ago and that's what alerted me to the thing. And I agree with the secretary, I think that basically what we're in is in the throes of evaluation. I'm certainly not involved in it directly.

(CROSSTALK)

WARNER: I think maybe your letter is most timely, Senator. Do you have any -- I know you prepare very carefully for your questions. Do you have any knowledge that you could share as to how the decision was made, or is it a final decision or...

CLINTON: Well, Mr. Chairman, I think that it is one of those decisions that is floated out there and everybody's waiting to see whether it stays airborne or falls with a great...

WARNER: You might have...

CLINTON: ... with a great thump, and we're hoping it falls with a great thump.

WARNER: You might have punctured a little bit.

CLINTON: I hope so.

"Sunday Morning," CBS, 11/30/2003

(Footage of Clinton visiting troops)

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Especially for our civilian...

Announcer: It's SUNDAY MORNING on CBS, and here again is Charles Osgood.

CHARLES OSGOOD, host:

(Voiceover) Senator Hillary Clinton is in the middle of a personal tour of Iraq this weekend.

She's visiting with American troops and holding talks with local officials. Much as they seek and crave the spotlight, most politicians also value quiet time with good friends, and that certainly is the case with Senator Clinton, as our colleague Erin Moriarty of "48 Hours Investigates" will show us in this profile of two very good friends indeed.

(Footage of school photographs; Ebeling and Clinton)

Sen. **CLINTON:** (Voiceover) We've been friends since sixth grade.

I don't know what you do in a life without friends.

(Footage of school photographs; Ebeling and Moriarty)

ERIN MORIARTY reporting:

What kind of music did you all like?

Mrs. BETSY JOHNSON EBELING: (Voiceover) Beatles, of course, you know.

She liked Paul. I always liked George.

(Footage of school photographs; Ebeling and Moriarty)

MORIARTY: Why did these two become such friends? What was it in sixth grade that connected you?

Mrs. EBELING: (Voiceover) I just remember that we were drawn together.

And that from the time I started class, we were always together.

(Footage of school photographs; Ebeling and Clinton)

Mrs. EBELING: Bye, sweetheart.

(Footage of photographs; Ebeling and Moriarty)

MORIARTY: (Voiceover) You've probably never heard of Betsy Johnson Ebeling, but Betsy knows **Hillary Rodham Clinton** in a way few do and sees a private side of her that is rarely revealed.

When you read her described as cold or arrogant...

Mrs. EBELING: You know, none of which I can go with.

(Footage of photographs; Ebeling and Moriarty)

Mrs. EBELING: (Voiceover) I really can't. I mean, this is a woman who has a laugh that is embarrassing, you know, in a restaurant. (Laughs) And it just takes over the entire restaurant.

And a woman who, you know, is always--has me order the dessert and then she eats the dessert off my plate. I mean, this is--this is somebody who could be your next-door neighbor.

(Footage of Ebeling and Moriarty walking through neighborhood)

Mrs. EBELING: (Voiceover) This is the dining room.

MORIARTY: (Voiceover) In fact, Hillary Rodham was her neighbor when Betsy--she was Betsy Johnson then--and her family moved to Park Ridge, a suburb of Chicago.

Where's Hillary's bedroom?

Mrs. EBELING: That one right up there.

MORIARTY: Over on the left?

Mrs. EBELING: Yes.

MORIARTY: And where--where was your house?

Mrs. EBELING: My house is about six blocks that way.

(Footage of Moriarty and Eberling)

MORIARTY: (Voiceover) At times, Betsy was more than a friend; she was a necessity.

What I would understand is that would you not wear your glasses...

Sen. **CLINTON**: Oh gosh.

MORIARTY: ...and you relied on Betsy as your Seeing Eye person.

Sen. **CLINTON**: Yeah, my Seeing Eye friend. I couldn't see where I was going. And she would kind of lead me along. She'd say, 'OK, there's--Don's over there. Smile to the left,' you know.

Mrs. EBELING: ...(Unintelligible).

Sen. **CLINTON**: Yeah, that's right. 'Bill is standing over there, smile to the right.'

(Footage of Clinton's book; Clinton, Ebeling and Moriarty)

Sen. **CLINTON**: (Voiceover; reading from book) 'My friend starting in sixth grade, Betsy Johnson, led me around town like a Seeing Eye dog.'

MORIARTY: (Voiceover) Hillary described their extraordinary 45-year friendship in the early pages of her best-selling memoir "Living History," but...

I have something else. I don't know if you'll remember.

Sen. **CLINTON**: Oh dear.

Mrs. EBELING: I know. I ...(unintelligible).

Sen. **CLINTON**: She went through the attic.

MORIARTY: This was--this--yes. This is obviously not your first autobiography, as everyone thinks it is.

Sen. **CLINTON**: Oh.

MORIARTY: But in fact, this is.

(Footage of "This Is My Life"; Clinton, Ebeling and Moriarty)

Sen. **CLINTON**: (Voiceover) "This Is My Life." Absolutely.

MORIARTY: (Voiceover) Written when she and Betsy were 12.

Sen. **CLINTON**: I have not seen this in forever. Design, can't you tell?

Mrs. EBELING: Oh, I'm sorry. It was your artistic side?

Sen. **CLINTON**: My artistic side.

Mrs. EBELING: Is it wallpaper?

Sen. **CLINTON**: Uh-huh.

Mrs. EBELING: This is the wallpaper in your mother's bathroom.

Sen. **CLINTON**: It is wallpaper. Thank you very much.

Mrs. EBELING: Yes. Look at the writing.

Sen. **CLINTON**: This is pathetic.

MORIARTY: Those are her drawings.

Sen. **CLINTON**: Yes, those are my drawings.

(Footage of drawings; Clinton, Ebeling and Moriarty)

Sen. **CLINTON**: (Voiceover) I have--I have no artistic abilities.

I can't sing. I can't draw.

Mrs. EBELING: But look who has the biggest smile.

Sen. **CLINTON**: Yeah.

(Footage of "This Is My Life"; Clinton, Ebeling and Moriarty)

Sen. **CLINTON**: (Voiceover) "My Future," there it is.

Mrs. EBELING: (Voiceover) Look at your future. What's it say?

Sen. **CLINTON**: (Voiceover) Yes, indeed. 'When I grow up, I want to have had the best education I could have possibly obtained.'

Mrs. EBELING: (Voiceover) Did that.

Sen. **CLINTON**: (Voiceover) 'If I obtain this, I will probably be able to get a very good job.'

Mrs. EBELING: (Voiceover) You have.

Sen. **CLINTON**: 'I want to either be a teacher or a nuclear physics scientist.'

(Footage of "Living History"; photograph of Clinton and Ebeling; Clinton, Ebeling and Moriarty)

Sen. **CLINTON**: (Voiceover; reading from book) 'By the fall of 1960, my world was expanding and so were my political sensibilities.'

MORIARTY: (Voiceover) Even back then, Hillary Rodham and Betsy Johnson shared a passion for politics, although it may not be quite what you expect.

Sen. **CLINTON**: We were Goldwater Girls. We got our sashes and we got our cowboy hats.

Mrs. EBELING: I mean, I can remember the whole summer before the convention. There would be these stickers all over Chicago that said, 'AUH2O,' and I was fascinated. I thought, what is that, you know? And found it was Goldwater. There must have been a science class that I missed that day.

(Footage of building; Ebeling, Robert Carlson and Moriarty)

Mr. ROBERT CARLSON: There it is. Maybe that'll go in Hillary's museum someday.

MORIARTY: Oh my gosh. Citizens For Goldwater-Miller.

Mr. CARLSON: That's correct. And here she is with her address. She's gonna work that day. And here's Betsy right here.

MORIARTY: Betsy right here.

Mr. CARLSON: Signed up right here.

MORIARTY: Hillary Rodham.

Mr. CARLSON: Right.

(Footage of Hall of Honor; Carlson)

MORIARTY: (Voiceover) It probably won't surprise anyone why her high school history teacher, Robert Carlson, remembers Hillary so clearly.

Mr. CARLSON: She wrote a term paper for me that was about 75 pages in length, with 150 note cards and 50 bibliographical cards. Now wouldn't you remember a student like that?

(Footage of school photographs; Clinton, Ebeling and Moriarty)

MORIARTY: (Voiceover) After high school, it was on to college. Betsy enrolled at Albion College in Michigan, Hillary at Wellesley in Massachusetts.

Sen. **CLINTON**: And whenever we were home for holidays or the summer, we spent a lot of time with each other. You know, it was always the first call I made as soon as I got back to Park Ridge.

MORIARTY: To Betsy.

Sen. **CLINTON**: To Betsy. Absolutely.

(Footage of riots outside 1968 Democratic National Convention; Clinton, Ebeling and Moriarty)

MORIARTY: (Voiceover) It was during one of those summers that they witnessed an event they both say changed their lives and their politics: The 1968 Democratic National Convention in Chicago where clashes over race and the war in Vietnam erupted.

Sen. **CLINTON**: It was just a defining moment, because we were both sympathetic with some of the attitudes, but we were both much more conservative in how we think people should behave and what appropriate ways there should be for dissenting and demonstrating.

Mrs. EBELING: It was that threshold for us, I think, that things are never gonna quite be the same.

(Footage of photographs; unidentified man)

MORIARTY: (Voiceover) But what did stay the same was their friendship, even after Betsy married a boy from home, their high school classmate, Tom Ebeling, and Hillary chose a boy from Hope, Bill Clinton.

Mr. TOM EBELING: When she brought this guy around and I went, 'Who this is guy? He's pretty--pretty special.'

MORIARTY: So he wasn't like one of the guys from Park Ridge?

Mr. EBELING: Oh no. No. No.

(Footage of photographs; Ebeling and Moriarty)

Mrs. EBELING: (Voiceover) When she called and said, 'I'm going to go to Arkansas and see if this is going to work,' truthfully I had to look at the map and see.

I mean, it was one of those A states. I wasn't quite sure where it was. And she was gonna go all the way down there?

(Footage of photographs; letter; photographs; Clinton, Ebeling and Moriarty)

MORIARTY: (Voiceover) Hillary remained in Arkansas to practice law. Betsy taught high school Spanish and, for a time, stayed home to raise her three children. When Bill became president and Hillary first lady, the Ebelings were frequent visitors to the White House. But at no time was Betsy's friendship more vital than when Hillary found out her husband had lied to her about the Lewinsky affair.

Sen. **CLINTON**: It was hard to get through those days, and I knew exactly what the folks on the other side expected: That at some point I would, you know, show anger or, you know, some emotional breakdown, I guess, in public, which they would then use to try to stampede people into forcing Bill to resign.

MORIARTY: So you had to fight against that.

Sen. **CLINTON**: Oh! Every single moment. Every single moment. It was an--an amazing confluence of events, you know.

Mrs. EBELING: It was.

Sen. **CLINTON**: I ju--I--I just--to this day I find it deeply regrettable. I mean, obviously I was disappointed and--and sad about my husband. And that should have been between us and that was our business.

(Footage of photographs; Clinton, Ebeling and Moriarty)

MORIARTY: (Voiceover) Betsy and another close friend, Diane Blair, rushed to Hillary's side and her defense.

Were you angry at the president?

Mrs. EBELING: Oh, yeah. Can you imagine that day he's sitting in the Oval Office and he looks at 'Guests in the White House' and it's Diane Blair and Betsy Ebeling? I'm sure he didn't want to come upstairs that night. Oh, but...

MORIARTY: Well, even the senator, in your book, you say that a congressman came up and said, 'If you were my sister, I would have punched Bill Clinton in the nose.' What did you want to do? Didn't you want to punch the president in the nose?

Sen. **CLINTON**: Hit him over the head with a frying pan probably.

Mrs. EBELING: Well, yeah. Absolutely that.

Sen. **CLINTON**: She and Diane stalked him around, as I remember.

Mrs. EBELING: Yeah, we did. We did.

MORIARTY: Did you ever say something to him? Did you...

Mrs. EBELING: Sure.

MORIARTY: What did you...

Sen. **CLINTON**: Oh...

MORIARTY: Can you share what you said?

Mrs. EBELING: I'm not gonna share that. I'm sure that won't be in his book.

MORIARTY: Did you ever--'cause you guys talk about everything--did you ever suggest to your friend to leave her husband?

Sen. **CLINTON**: No.

Mrs. EBELING: No.

Sen. **CLINTON**: No. And--and in part, I think--first of all, because Betsy and Diane knew us so well and knew him as well as me.

Mrs. EBELING: Yeah.

Sen. **CLINTON**: It just seemed--you know, it's--that something had to be salvageable. It could not end in this public display.

Mrs. EBELING: No, and--and--and the number-one reason was Chelsea.

(Footage of the Clintons; Clinton, Ebeling and Moriarty)

Mrs. EBELING: (Voiceover) They were not going to hurt her ever. And they found their way back to each other through her.

MORIARTY: When you hear people describe your friend's marriage as more a merger of two ambitious people, what's your reaction to that?

Mrs. EBELING: Merger. Oh. He married you for your cooking skills.

Sen. **CLINTON**: That's right. My artistic and cooking skills.

Mrs. EBELING: You know the--and singing skills. Singing skills. You know, I'll say it once and for all. This is it: To be in the presence of these two people is to be in the presence of two people who really love each other. These are two people who--who think alike, who constantly stimulate each other's thinking.

(Footage of photograph of Clintons; Clinton, Ebeling and Moriarty)

Mrs. EBELING: (Voiceover) And I can't imagine a different, better partner for her.

He got pretty lucky, too. He did.

MORIARTY: (Voiceover) On the day these two friends sat down for a chat with us, Senator Clinton had just returned from Iowa, so neither appeared particularly surprised by the next question.

Are you going to be a Democratic candidate for president next year?

Sen. **CLINTON**: I am gonna support our Democratic nominee.

MORIARTY: But, Senator, are you saying that under no circumstances...

Sen. **CLINTON**: I have said it over and over and over again. I--you know, I...

MORIARTY: Under no circumstance will you be the candidate next year?

Sen. **CLINTON**: There are no circumstances that I think are even imaginable.

Mrs. EBELING: So it's settled. She's staying with Bill and she's not running, you know.

MORIARTY: The definitive interview here.

Mrs. EBELING: It's done.

(Footage of photographs; Clinton, Ebeling and Moriarty)

MORIARTY: (Voiceover) And with that, it suddenly becomes quite clear why **Hillary Rodham Clinton** has stayed connected so well and for so long to Betsy Johnson Ebeling.

Sen. **CLINTON**: (Voiceover) Sometimes when I look at her, I still see, you know, the little girl I met in sixth grade. I see someone who's been, you know, my true friend, who I can count on to be there for me, who is honest and straight in every sense of, you know, caring and concern for me and my family.

And, you know, that's a precious gift. So mostly I just see kind of a blessing in my life when I look at her.

Mrs. EBELING: She's a sweet pea.

"American Morning," CNN, 12/1/2003

SOLEDAD O'BRIEN, CNN ANCHOR: Two U.S. senators are just back from a trip to Iraq and Afghanistan. Senator **Hillary Rodham Clinton** of New York and Rhode Island Senator Jack Reed will join -- join us this morning, rather, from Capitol Hill, to share their impressions, also, to talk a little bit about the latest violence in Iraq.

Good morning to you, Senators.

Nice to see you both and thanks for joining us on AMERICAN MORNING.

We appreciate it.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Good morning, Soledad.

SEN. JACK REED (D-RI), ARMED SERVICES COMMITTEE: Good morning.

O'BRIEN: Senator Clinton, let's begin with you.

You're obviously well aware, we just heard from Nic Robertson about these attacks, also, the attacks on international workers and intelligence agents and then this large scale attack that we just heard Nic Robertson talking about.

Give me a sense of the security situation as you see it now that you've finished your visit.

CLINTON: Well, Soledad, it is still a very insecure situation and I can't say enough positive things about our United States military. They're doing a superb job under very difficult circumstances. But, again, I did not believe they had enough forces and the right mix of forces to be able to do this dangerous mission that we've given them.

They don't have enough M.P.s or intel or what they call sy-ops or civil affairs. And it is a real problem become, as you can see from the report, our troops are under direct attack. We have also lost some of our coalition allied forces in intel and other services. So this is still an insecure, dangerous situation and we need to both get more force in and we need to get the United Nations back in to internationalize it.

O'BRIEN: Senator Reed, the secretary of defense says that he doesn't think the U.S. allies will be put off by these latest attacks. Spain's prime minister said that withdrawal would be

the worst possible thing that could happen. South Korea's president said these attacks were intolerable.

What kind of effect do you think these attacks are going to have on our allies in this?

REED: Well, I hope, of course, that our allies continue to support us in Iraq. But the accumulation of these attacks and as they're directed against the soft targets, not essentially military forces, but civilian aid workers and diplomats, I think will have a cumulative effect and cause reluctance and increased opposition not so much in the government, perhaps, but the people of the countries that are assisting us today.

And that's quite obviously the strategy of the insurgent forces. They can't take American military forces on directly, so they're going after the softer targets, hoping to weaken them and weaken their resolve and ultimately our resolve.

O'BRIEN: Senator Clinton, you just said a moment ago that there are not enough forces or enough of a certain mix of forces on the ground there.

As we see these increased attacks on the international forces and workers, don't you expect it's going to be much like -- less likely that foreign countries are going to forward their troops to this cause, when they see them being attacked?

CLINTON: Well, that's why it needs to be internationalized under the United Nations, Soledad. It seems to me that the time has come for the Bush administration to recognize that it's in America's national interests to get the U.N. back in a position of control and authority, because that will not only help bring in more additional troops from international forces, but it will also send a clear signal that the transfer of authority to some kind of self-governance is not an American project, it's an international project.

So I would underscore what many of us have been saying for a long time. We don't have enough troops, either U.S. or international, and we have to internationalize the effort to move towards self-governance.

O'BRIEN: Why do you think...

CLINTON: If we moved in that direction, we'd make more progress, in my opinion.

O'BRIEN: Forgive me for jumping in there.

Why do you think commanders on the ground disagree with you? They have said more soldiers mean more targets. They have said we're not calling for more. The secretary of defense said if a commander calls me and asks for more troops, I'll send more troops. They're not calling for them.

Why do you disagree with that?

CLINTON: Well, I think there are two things going on. In our private discussions with a number of our military leaders, they said that they may have enough troops in absolute numbers, but they don't have the right mix of troops. And when they start rotating people out, as they have promised, in March or April, shortly before they intend to turn over authority on the civilian side, they're going to be in a very difficult position because, as Senator Reed and other of my colleagues have been saying now for months, we don't have enough inventory of personnel in the U.S. military to replace a lot of the troops that are going to be coming back, to perform the functions that are essential.

Secondly, I think frankly the administration has made it so clear they're not going to send troops that it's useless to ask for more troops. That's why moving toward a United Nations mandate of some sort, which apparently is going to be discussed this week in New York, would give everybody the cover and the permission to ask for and receive some additional troops from other countries and to slightly begin to change the force mixture that we have.

And, Soledad, I also don't want to forget about Afghanistan, because that may be off the public radar and the media watch right now, but we're still engaged in a struggle with the terrorist in Afghanistan who, after all, were responsible for the attacks on our country. And we need to get more NATO troops into Afghanistan to supplement the American military force, as well.

O'BRIEN: Senator Reed, we don't have a ton of time, but I want to give you the final word this morning.

You -- there are, of course, reports that high ranking Iraqis would like to have direct elections. You've said that's a big dilemma, obviously. Who knows who's going to be elected, could that work against what the United States is trying to do in Iraq right now.

How do you solve that dilemma?

REED: Well, it's a challenging dilemma. Unless we have a legitimate process to select the new leader of Iraq, we will never have any comfort or any positive development. Right now, the major Shia figure, Ayatollah Sistani, has refrained from endorsing enthusiastically the new proposal. We have to work to get if not his support directly, certainly to avoid any opposition.

If we don't, then we're going to have a process that's going to be flawed from the beginning. And the other thing we have to do is make sure that this process is not just the result of intimidation and bribery and the old Iraqi politics. It has to be part of the new Iraqi politics. And there's another role for the United Nations, to come in and review this electoral process and certify it and provide it with legitimacy. Without legitimacy, it'll be an effort, an exercise, really, in futility.

O'BRIEN: Senator Jack Reed and Senator **Hillary Rodham Clinton**, nice to see you both.

Thanks for joining us this morning.

REED: Thank you.

O'BRIEN: Appreciate it.

CLINTON: Thank you.

U.S. SENATORS HILLARY CLINTON AND JACK REED HOLD NEWS CONFERENCE ON RECENT TRIP TO IRAQ AND AFGHANISTAN, 12/1/2003

CLINTON: Well, I want to thank Senator Reed for putting this trip together and for leading it so effectively.

And his past experience in the military, particularly in the 82nd Airborne, gave him a very special understanding of some of the challenges that our troops face.

We asked specifically about the hunt for Osama bin Laden. As you know, it has not been successful. We still believe it is one of the primary goals of our presence in Afghanistan.

CLINTON: There are increased efforts to obtain intelligence about his whereabouts and to seek him out. But that has to remain one of our highest priorities.

We also are well-aware of the very precarious position politically that exists in Afghanistan, although it is on a more sure track than Iraq. The constitutional loya jirga starts meeting this month. They are looking toward elections in June.

President Karzai has a very articulate description of what needs to be done in order to move the country to that point. And we believe that we should do everything possible to support this constitutional and electoral process.

That's one of the reasons why we have already this morning spoken to Condoleezza Rice to convey our principal recommendations. We're going to be sending her a letter later today with more thorough recommendations.

But one of our highest recommendations was that we do everything possible to be prepared, with NATO's support, to fend off what will clearly be efforts to destabilize both the constitutional loya jirga and the election, so that the Afghani people can have a fair shot at creating their own government.

We also are well aware that drugs remain a principal challenge. We mentioned that to Dr. Rice. There has to be a higher priority on drug eradication and elimination. Presently, Afghanistan is the highest producer of opium in the world. We know what can come if narco traffickers fill a void and work in conjunction with the terrorists and the warlords.

The efforts to date have not been effective. There needs to be increased pressure put on the poppy growers and some alternative program to provide them a livelihood.

We also discussed with President Karzai what these provincial reconstruction teams are doing. We know that they are going to be having four or five of them up and going.

CLINTON: We would like to see us have a much larger number because they clearly demonstrate that there is a commitment by America and the NATO allies to improve the lives of the Afghan people.

To that end, I spoke with President Karzai about the humanitarian needs that they have in the country. And the number one need is to improve maternal health. Afghanistan has the highest death rate of women during pregnancy, labor and delivery. This is an area where, if we could put in a relatively small amount of money, we could make a very big difference.

Presently, they have a hospital in Kabul that is woefully understaffed and underfunded, that handles 200 deliveries a day. That's an extraordinary amount of births that take place under very difficult conditions. We think we could not only do some good there, but it would be a program for President Karzai's government to champion and it would send a clear signal that while we are talking about improving the lives of Afghans, we're actually doing something on the ground that can make a real difference.

Finally, with respect to Afghanistan, the ongoing challenges for education, for reconstruction, for health are expensive. We are building an Afghan army which has some success, but faces a lot of problems. We need to be building an army of teachers to reach out and educate both boys and girls. This is important on both sides of the border. We discussed that with President Musharraf. The madrassas educate -- so-called educate -- 600,000 to 700,000 young boys, in part because there are no schools that can teach a different curriculum.

I think that one of our highest priorities in the war on terrorism is to provide a different kind of education for the children in Pakistan and Afghanistan.

It is apparent to us that we've made real progress in Afghanistan, but for the last several months our country, our press, our political leadership has been primarily focused on Iraq. And we can't forget that the death and destruction caused to America came from Afghanistan. That's where the attacks were devised. That's where they were coordinated. That's where the implementation orders originated. And it is still a very dangerous situation.

We cannot afford to fail in Afghanistan. We have to do whatever we can to be successful.

In my meetings with Afghan women, they emphasized the importance of empowering women, to give women a stake in the future of Afghanistan. I hope that that will be one of our highest priorities in our political agenda as we go forward with Afghanistan.

CLINTON: But the clear message to us is that we need a more realistic budget for what is needed in Afghanistan to deal with both the military and political needs.

The latest supplemental had about \$1.2 billion in it. The best estimates from the people in our embassy, the people on the ground in Afghanistan, is that Afghanistan would need \$30 billion over five years to realize the political transition, the reconstruction needs, to establish the security, to train an army that's not going to desert at a rate of 20 percent, to have a police force that can be reliable, to integrate the various ethnic groups into a national unity government.

We have a lot at stake in this. And we're going to have to recognize that it's not going to come either cheaply or quickly. But we saw progress. We just want to make sure that progress deepens and continues.

REED: Upon concluding our meeting with President Musharraf in Pakistan, we flew to Kuwait to prepare for two days of visits to Iraq. Our first day's visit, we went to Baghdad. We arrived there. We went by motorcade from the airport downtown to the headquarters of the CPA. And there we had a long briefing and a very productive meeting with Ambassador Bremer and the Lieutenant General Sanchez.

After that, we took another motorcade convoy to the headquarters of the 82nd Airborne Division, 2nd Brigade, commanded by Kurt Fuller. And we met and had an opportunity to tour the barracks and discuss with some of the paratroopers of the 3rd Battalion 325th Airborne Infantry.

And then we took another motorcade. And we went down to the convention center and we had a chance to meet with representatives of nongovernmental organizations who are working in the countryside of Iraq. It was a very interesting perspective. Seldom, I think, do these congressional delegations sit down and meet with these NGOs who are out there in all these small communities, doing their best.

In addition, there was another opportunity, led by Senator Clinton, to meet with Iraqi women and to talk about the status of women there. We got into our vehicles and moved again to the dining hall, where we had a chance to have supper with soldiers from New York and Rhode Island. I was very pleased to see members of the 118th Military Police Battalion from Rhode Island.

REED: I was visiting them back in July. And let me say, in terms of contrasting situations, it appeared to me last July that it was a chaotic situation in Baghdad. It was weeks away from the liberation. And it was very hot, about 120 degrees.

Well, the temperature's cooled off. It's less chaotic, but it's more dangerous, because the violence now is organized and directed against our forces and our allies within Iraq.

Now, the other point I should make about the Rhode Island troops is they were very pleased to have received 43 up-armored Humvees. One of the continuing shortfalls in our equipment for our soldiers in both Afghanistan, but particularly in Iraq, is the insufficient number of up-armored Humvees. It's a psychological as well as a physical dimension.

We were driving around with armor protecting us, but I would look out on the roadways and see these unarmored Humvees going down the same roads we were, knowing that if there was an explosion, they would be in a very precarious situation.

So we've got to do more. And we've got legislation in my supplemental to buy more. And we have to speed that process up.

At the end of our meetings that evening, we returned to Kuwait to rest overnight. And then the following morning, we again had the opportunity in Kuwait to meet with soldiers from New York and from Rhode Island.

Here, members of the 115th Military Police Company of Rhode Island, we had a chance to thank them. They lost three individuals already killed in action in Iraq, as well as other wounded. And they are now in Kuwait. And again, we wanted to thank them and salute them for their efforts.

We also had a chance to meet with General Abizaid. He flew in from his headquarters en route to Afghanistan. We had a long and very appropriate discussion with him on the situation overall.

And then we took another C-130 up to Kirkuk, where we met with Ray Ordierno, who is general commander of the 4th Infantry Division, and Colonel Bill Mayville, who is the commander of the 173rd Airborne Brigade. We had a very productive meeting with them about the situation as they see it on the ground.

After our meetings, we went downtown into Kirkuk and had a very good meeting with the governor of the province and the acting governor, city council members, women and men, representatives of the new political forces in Iraq.

REED: We left there. And we had a chance to go back and have lunch with the soldiers of the 173rd and also the Air Force personnel that are in Kirkuk.

We returned to Kuwait, and we had a meeting with the Shekira (ph) of Kuwait, the sister of the emir, who is very, very active in environmental issues and also in issues of women's rights, both in Kuwait and across the area.

And then we got on the aircraft and headed home.

Let me make a few points. First, within Iraq, the threat continues to be former regime loyalists, a small group of international terrorists who have come in after the fall of the Saddam Hussein regime, and criminal elements.

It appears over the last several days that the former regime loyalists were targeting soft targets, attacks against diplomats, attacks against aid workers. But just this morning, we all realized that they are at least sporadically prepared to take on our troops.

We understand, and we know, that that is a losing effort on their part. Our forces are well prepared to defend themselves.

But the continuing viability or at least the sporadic viability of these forces suggest that the dangers are still there.

There's been an ongoing discussion about force levels, about the needs of our forces.

Let me make a few points from our perspective. First, it's obvious we had adequate forces to win a decisive victory, but it seems increasingly apparent that we had inadequate forces to dominate the country, both geographically and psychologically. And, as a result, we've let the insurgents back in the game.

And there shouldn't be a debate also about the critical shortages of specialties -- military police, psychological operations, civil affairs officers and engineers. And one of the critical factors there is that many of these units are reserve component units, not active forces.

We will face a very challenging situation when our rotations start taking place next spring. We may be able to replace our regular forces -- our infantry armored forces -- but these high demand units are not easily replaceable.

REED: And we're going to lose a great deal in terms of continuity and capability when we bring out these units and we're not able to replace them as we should.

Another issue I think is nondebatable is regardless of how one feels about the number of troops in Iraq, we won't be able to support this rotation over many years unless we increase the size of our Army, particularly. And if we're in it for the long run, we have to have a force structure for the long run, not the short run.

Let me make a few other points with respect to our situation in Iraq.

We are hearing from regional commanders and regional representatives that there is an overcentralization of authority in Baghdad under the CPA. The flexibility they need in terms of funding, in terms of initiative is being complicated by the interaction between the CPA, the Iraqi ministers and regional commanders. That should be streamlined dramatically.

Our success to date has stemmed from the initiative and the discretion of local commanders, particularly in the use of CERF funds, these are the Commander's Emergency Reconstruction Funds. These funds were initially allocated out of Iraqi assets to individual commanders. They've used them very aggressively.

Starting October 1st, they ran out of the money, and the commanders told us they started running out of momentum. They couldn't address the concerns that were -- in an instantaneous way.

In contrast to our commanders, particularly the Shia in the south, because of the way they operate and organize, are able through their own resources to respond immediately to social concerns. And this battle for authority, this battle for legitimacy, this battle for the minds and the support of the local Iraqis is being waged right now in terms of funding immediate response.

We would urge that the recently appropriated CERF funds, \$180 million, be expeditiously allocated to the lowest possible level so that our commanders can once again pick up the momentum in doing that.

One of the successes we've seen in terms of our Iraqi-ization has been the creation of the Iraqi civil defense forces. Each commander told us that they're making great progress.

REED: They're integrating and training these units. They're patrolling with us. But we're in danger of having a hollow force because these units do not have the equipment, the communications equipment, the uniforms that they will need to act more and more independently. And that's another item that we have to address.

Now the other issue I want to mention, too, is the fact that comments we received suggests strongly that the abrupt dismantling of the Iraqi army was a mistake; that it has cast upon the streets thousands of ordinary people who are without employment and potentially threats to the future of Iraq.

In addition to that, the complicated process of de-Baathification has essentially created situations where, in one province, a thousand teachers can't teach at a desperate time when they need the teachers.

There are thousands, also, of former military officers and intelligence officers who are on the bench, if you will, and it's unsure now what are they doing -- helping us or hurting us. So I think we have to clarify that situation, also.

But, by and large, we have seen progress there in Iraq. But we're entering a very critical, critical time as the American forces are rotating and as this new election process is commencing, the intersection of potential instability, which could be very threatening to the progress we've made to date.

And let me recognize Senator Clinton.

CLINTON: Well, I think that the intersection of the military security concerns with the political is now the most urgent priority.

As you know, the administration recently announced a plan for the transition of power in Iraq. They have laid out a timetable where a transitional assembly will be selected by May 31st and a provisional government created with a leader of some title by June 30th.

Now, we see several dangers in this plan and this timetable.

We asked everyone we came across, "Well, who do you think the leader will be?" You know, nobody could give you an answer. No one has emerged who could provide a unifying presence for a transition the way President Karzai has done successfully in Afghanistan.

We know that the concerns of the minorities in Iraq are essential to be addressed because of the overwhelming presence of the Shia in about 60 percent of the population. How majority and minority rights will be laid out and protected is also unclear.

We don't know if there will be a federal or a centralized system created. When we met with the leaders in Kirkuk, they are strong advocates of a federal system, as were the Iraqis we met with in Baghdad.

But in Kirkuk, which, as you know, is north of Baghdad, they didn't even know what the real plans were. No one has directly communicated with them. The members of the governing council are not relating to the local residents and even the local governing councils.

Their principal contact is with the American military, which has done a fabulous job in the reconstruction and the relationship building.

CLINTON: So what kind of system they're going to be aiming for -- it's taken two years to get to the point where we are in Afghanistan. We're trying to compress that time into a relatively short period to try to accomplish the same ends in Iraq.

We face the danger of raising false expectations that next summer Iraq will be sovereign, that it will have a government stood up, that the government will fairly represent the interests of the people in Iraq. And that seems hard to imagine, based on our visits of the last few days.

And, as Senator Reed mentioned, it's very difficult to understand how we will be going through the most dangerous period, which is the period from now until next June, when we're going to try to be holding some kind of constituent assemblies throughout the country, creating the mechanisms for a government, when we know that the insurgency will be aiming directly to disrupt that, that we would also be rotating out the troops that have built the relationships at the local level.

You know, the generals, the colonels, the majors, the captains and lieutenants and sergeants who have developed trusted relationships with a lot of the local Iraqi leaders will be on their way out in March and April. New people will be coming in.

No matter how well trained and sensitive, it's going to take a while for them to develop similar relationships just at a time when we're going to be asking people to trust in the creation of an Iraqi government.

The role of the U.N. is one that we focused on. Ambassador Bremer told us that he was pleading that the U.N. come back in. When we discussed that with Dr. Rice this morning, it's clear that they want the U.N. back in some form, particularly to oversee elections -- however those elections are defined -- but that they're not willing, the administration is not willing to cede much authority to the United Nations.

I think that's a losing proposition. You're not going to get the U.N. back in, given the security constraints if they don't feel that they have a real line of authority. And you're not going to get additional troops in to supplement our troops and to provide some of the functions that we can't provide, because of limitations on our own force structure, if the U.N. doesn't feel that it is at least calling some of the shots.

So the administration has its work cut out. And I know that there are meetings going on this week in New York at the U.N. to try to figure out how the U.N. can come back into Iraq, working with the neighbors of Iraq, working with other elements of the international community.

It is clear that there is some concern that the process in Iraq for elections is being driven, not by the conditions on the ground in Iraq, but by the timetable for our own elections, that the administration is intent upon some kind of exit strategy, some kind of transition before our elections.

CLINTON: I'm afraid that's an artificial deadline and it may not be, at all, the right kind of timeframe for what we need to try to accomplish.

There are many comparisons that we heard about when we were in Iraq. We've heard about them for months.

The administration often talks about the Marshall Plan, talks about our involvement in Germany after World War II. But if you look at the time it took to stand up a government in Germany, to create the conditions for democracy, we're talking about 10 years.

And we're also looking at a situation where there were a greater number of American troops committed along with our allies in different sectors than on a comparative basis we have committed in Iraq.

So we have a lot of work cut out for us. And we have an additional complicating factor which is that the Hajj, the pilgrimage to Mecca, will occur in January. It's likely that there will be a pent-up demand within Iraq for people to make the migration to Mecca. There will be pilgrims looking to cross Iraq on their way to Mecca.

This is a situation rife with danger for our troops and for Iraqis, because we may not have the manpower to handle and manage a massive migration and we may not be able to figure out who is legitimately transiting across Iraq and who is there for other purposes. So we would strongly urge the administration to factor this into their planning.

Finally, with respect to both countries, the next six to seven months are critical. We have an actual constitutional and electoral process going forward in Afghanistan. And we are trying to set up something comparable in Iraq.

We will be pointing out in even greater detail in our letter to Dr. Rice some of the warning signals that we saw, with respect to whether or not we can make that work.

We not only have a problem with not having enough personnel -- American -- in the right force structure, but also NATO and international, but we are wearing out our military equipment at a very rapid rate.

CLINTON: We saw that firsthand when one of the C-130s we were on from Bagram to Kandahar couldn't take off because of an oil problem. You know, it's a 1961 plane.

We are having lots of problems with our equipment. We're going to have to recapitalize it. That is an expense and a time restraint that also has to be taken into account.

Finally, any future plans about winning the wars on the ground and for the hearts and minds of Iraqis and Afghans requires something that Americans are often notoriously short of, and that's patience. We have to be prepared for a much longer run to accomplish our goals than we have been discussing publicly.

We are engaged in massive deficit funding of our missions in both Iraq and Afghanistan. We need to look hard at what will really be required financially, both for the military and the political-economic goals that we are trying to achieve.

And we have to recognize that we are dealing with adversaries who have all the time in the world. This was summed up for me by the head of our USAID mission in Kabul, who told me

that he had just come back from a trip to the southeast, meeting with a number of leaders including former Taliban who are trying to decide which way they move. They're on the fence now. Do they sign up with Karzai and the Americans or do they take a different route?

And as one former Taliban leader said to this American official, "You Americans have all the watches, but we have all the time."

That's a message that we have to take to heart. This is not something that can be accomplished quickly if we expect it to last. We have to be willing to make the commitment, just as we did in Germany, just as we have done in Bosnia and Kosovo. We cannot let our own elections, our own other priorities interfere with doing it right. And doing it right is going to take time and effort and commitment.

But I don't think we have any choice. We cannot afford to lose in the minds of the public in those countries what we won on the battlefields.

REED: Let me make one other point and open up the questions. One of the issues that we spoke to Ambassador Bremer with is the huge growth in Iraqi security forces. In one or two weeks, 20,000 were added to the rolls. And the concern that I have, and I think Senator Clinton shares, is that we can't assume that these forces are comparable to our forces.

REED: And it's interesting, in Washington, as the Iraqi forces go up, these pie charts show our percentage fall. We have to be very clear-eyed about that.

Some of these forces are trained a week, two weeks. They can only perform static guard duties. And, in fact, Ambassador Bremer seconded our concern and said he makes it clear, or he tries to make it clear, that this is not a one-to-one substitution.

And so we have to, I think, be very sensitive to this whole notion of Iraqi security forces taking over from our forces in the short run.

With that, let me open it up.

QUESTION: You expressed concern about the (inaudible), but over the weekend we've had attacks on Japanese, the Spaniards and South Koreans (inaudible) killed. What are your thoughts about that? I mean, what's the impact of that situation?

REED: Well, it's clearly the strategy of the insurgents to start targeting these representatives of foreign countries to see if they can dislodge their countries from helping us.

They figured out that taking on United States military forces head on is a losing proposition, so they're going after the softer targets.

I'm glad that the government leaders indicated that that would not sway their determination to stay the course in Iraq, but my concern is that in the publics of Japan and South Korea and other countries, that they will gradually put pressure on their leaders to circumscribe their commitment, limit their commitment, delay their commitment.

All this, of course, will adversely affect our ability to maintain stability and to provide for the development of Iraq.

CLINTON: You know, I think it's kind of a chicken-and-egg problem. If you don't have some kind of U.N. mandate and international legitimacy, you're not going to be able to attract and keep the international troops, because if both governments and citizens in various countries can escape responsibility by saying it's an American problem, eventually that's what they may choose to do.

So I would hope that we can move toward more U.N. responsibility.

But we're not going to get U.N. authority and responsibility if we don't expand the mandate. If all that we do is to invite the U.N. to come in and oversee an election process that basically the United States conceives of and implements, we're not going to get much buy-in.

I think it is time for the administration to look at a way of expanding the responsibility for this. It's easy for people on the outside to be criticizing us, but if we put them inside the tent, make them have to take responsibility for what the eventual outcome in Iraq will be, they're more likely to have to support what we're doing.

So I argue strongly that we need a broader U.N. mandate. We need a new U.N. high commissioner or representative to replace Sergio de Mello who was murdered, as you know, in the attack on the U.N. And if the U.N. feels like it has some authority, they will be more willing and quicker to come in with both civilian and military forces for the project.

QUESTION: Do you come away with any confidence that this political process that's being laid out will actually work?

CLINTON: Well, we came away with a lot of questions being raised. Certainly, the objections voiced over the last several days by Ayatollah Sistani have sent a clear signal that this is going to be difficult to implement.

Again, I think we would be smarter to come up with a process that had the stamp of international legitimacy, including some of the neighbors in the area, through the United Nations. It would be much more difficult for any one person or one segment of the population to throw a wrench in the works because it would have that broader U.N. mandate.

CLINTON: Do I think it'll work? I think that the jury is out. I think there are lots of problems with whether or not it is workable, based on the objections and based on the very difficult security environment in which it should be implemented.

REED: Just to add, it's a work in progress. It's a day-to-day process of trying to create real structure to the intention to turn over sovereignty, try to explain it to the Iraqi people.

We found, particularly, that they didn't have a real detailed grasp. What they assumed was that this was the final transfer of authority with a constitution to the Iraqi people, and that does not appear to be the intent of this interim arrangement.

So it's not understood. It's changing, as they try to solicit support of the Shia communities. And again, when they finally focus on the first minister, the person who will lead Iraq, that could set off underlying fault lines, which is essentially will the Shia lead the government, will the Sunni lead the government, what will the Kurds react to in terms of their leadership position and role?

And so, you can envision, even if this works out, in terms of the process, that it'll lead to disaffection either by the Shias, who don't feel that they have what they want, or the Sunnis, who are disaffected and see this as the final proof of their marginalization in Iraq.

And then, of course, the Kurds are a wildcard. Are they going to hold for such regional autonomy that they become de facto, a semi- autonomous region?

So these are all difficult issues.

Then beyond that, you get into some other difficult issues. How do you reconcile all the competing claims for property that was seized, expropriated during the regime of Saddam Hussein, which is a very hot issue outside of Baghdad -- not so much in Baghdad, but outside of Baghdad -- in particular in Kirkuk?

And second, when do we get along to privatizing the economy so it'll work, which is a huge potential unemployment issue which, frankly, we can't afford.

Our economic strategy in Iraq today is pay everybody more than they were getting under Saddam. We've tripled the salaries to teachers and other governmental workers. We've doubled pensions. It's creating quite a demand. In fact, Ambassador Bremer suggested we drive around and see all the appliances that are being purchased in downtown Iraq. But that's not a long-term self-sustaining policy either.

QUESTION: Senator Clinton, it sounds to me that what you're saying is that the sense that you got from being over there is that this is a longer term project than you thought before you went over?

CLINTON: No. I've always thought that it was a much more difficult time-consuming project than the administration was prepared to admit.

I think one of the reasons that we are in some of the difficulties we confront now is that the numbers of our forces in Iraq were adequate to win the military battle, but not adequate to dominate the country after the initial conflict was over.

As a result, we are living with the consequences of refusing to admit the size of this undertaking. I've said on many occasions that it is bewildering to me how this administration, which is run by people who've been obsessed with Iraq and Saddam Hussein since the first Gulf War, could be so poorly prepared once the military success was assured.

No one doubted that we would be militarily successful. At least no one with any knowledge of the American military doubted it.

The hard part was, once our troops did their work, which was to drive out the Baathist Party and overthrow the Saddam Hussein regime: Would we be prepared to do what it would take to stabilize the country, provide security and put it on some kind of footing toward political self-sufficiency?

CLINTON: So the hard part started on May 1st. The easy part, if you look at it, was the military part because no one can contest us on the battlefield. We are so superior to any military force in the world today that if we're engaged in a battle, we're going to dominate. But when we take on an insurgency, when we deal with the complexity of a country that we, frankly, have very few people who speak the language or understand the culture, that's hard.

And I think we ought to be looking at the long-term commitment and being very straightforward in what it's going to take to be successful over time.

QUESTION: Senator Clinton, just to follow on that, you talked about how we're, sort of, putting our troops in and playing catch-up in Iraq. Do you think that given the recent attack on the Koreans, the Japanese, the U.N. bombing a while back, does the administration have an underestimated view of the political savvy, if you will, of the Baathists dead-enders, holdouts -- whatever you call them? Are they continuing to underestimate the political savvy, because clearly this is a coordinated campaign to attack our allies who might (inaudible)?

CLINTON: Well, I think that there was at least a public understatement of the challenges that would be confronted after the military mission was accomplished. And I can't speak for the administration.

But in the numerous appearances before the Armed Services Committee and in other briefings that I attended by the civilian leadership and the Defense Department and the State Department there was an unwillingness to confront the challenges that many of us believed would be waiting.

You'll remember that General Shinseki was publicly embarrassed by the secretary of defense and the Pentagon when he said it was going to take 150,000 to 200,000 troops, at least, to try to provide stability.

And I think there was an unwillingness in some corners to admit what it was going to take financially and in terms of human resources. And there was a romanticism in other corners that the liberation would somehow lead a stable situation that we then could, in an orderly, way withdraw from.

Neither of those were on point. And we're living with the consequences of the poor planning for the postconflict period that we are in the midst of right now.

And as to your point: because we didn't dominate the country militarily after the organized fighting ended; because we didn't guard against looting, which sent a signal that I think was unfortunate to the Iraqi people and to the former regime loyalists; because we didn't guard any of the ministries other than the oil ministry; and because we didn't immediately move to secure the munitions dumps that we learned about -- 650,000 tons of munitions which were left unguarded, in many instances, for weeks and months -- we permitted there to be a reorganizing of the former regime loyalists, the Baathists. And we also didn't secure the borders, so if there were foreign fighters coming in, we'd not interdicted as many of them as we should have.

So I think there's a lot that is, in hindsight, causing problems for us in this current period, which is why we need to be realistic about where we stand today and how we should go forward.

QUESTION: Do you think it's too strong of a statement to say that the insurgents, whether they are Baathists remnants or whoever they are, are demonstrating some level of political savvy given, particularly, the weekend...

CLINTON: I think that that's both political savvy and organizational capability. You know, they're targeting these soft targets. They went after the U.N., they went after our allies, the Italians, the Spaniards, the Japanese. They're going after the civilians.

It's a strategy to try to undermine the resolve, first of America's allies and then of Americans, both our civilian workers as well as our military forces. And, obviously, that's what they intend to try to do.

REED: Let me add that, perhaps, an irony is that these insurgency leaders are showing a lot more cunning than Saddam Hussein did when he was trying to oppose our conventional attack.

And, second, I think there are several elements at work here. First, there are the former regime loyalists who are involved in some of these activities. And then there's that small cadre of highly skilled international terrorists who are in for the long run.

And their goal is exactly that, a political one. It's to destabilize our position there, to make the participation of other countries so expensive that they will not cooperate with us.

So all these things suggest a much more complicated insurgency than we anticipated. And, frankly, I can recall in the first few weeks after the military victory when Secretary Rumsfeld would refuse to admit this was an insurgency. It took General Abizaid to say, "We're in a classic guerrilla war."

So it suggests to me that the military had a much clearer vision of what they were dealing with, both before the attack and certainly after the attack, than the political leaders here in Washington.

QUESTION: (OFF-MIKE)

REED: We had an interesting conversation with General Abizaid, who I respect mightily. We were lieutenants together in the 504th Parachute Infantry Regiment. The point he makes is that this war on terror is borderless; it's international. You can see attacks in Turkey, attacks in Saudi Arabia.

And, indeed, the key arenas for our struggle in not only in the war on terror, but international, in the region may not be Iraq, after all. It may be Pakistan and Saudi Arabia, because of the need for the government of Pakistan to increase their cooperation, because of the potential there for a political upheaval, and certainly Saudi Arabia, also.

So to see this as a central front is to miss the major point. It's such a hard war because there is no central front. The central front is the point of attack, and that could be Angkor one day, Baghdad one day, Riyadh another day.

QUESTION: Senator Clinton, earlier you talked about the timing of this being driven in part by our elections here. Can you expand on that? It seems like you're saying the president wants to solve -- make things nice and tidy by November. And then, separately, can you both talk about how Ms. Rice responded to your conversation with her today? Did she smile and say, thanks, or did she actually (OFF-MIKE)?

CLINTON: Well, with respect to the electoral timetable, my hope is that it is not driving any of our policy. My suspicion is that, indeed, it is. And clearly, the quick move toward some kind of sovereignty in whatever form by June of this year suggests to me that there is a political imperative at work to try to declare victory or at least to point to some kind of interim victory before the November elections.

I hope that I'm wrong, because, from my perspective, this should be way beyond politics. I mean, as you know, I supported giving the president authority. I disapproved of the way he used the authority, but I viewed the war against terrorism and certainly the danger posed by weapons of mass destruction around the world to be serious and real.

But we have to be in this for the long term, and I don't think the administration adequately prepared the American people for the level of sacrifice and casualties.

And we still refuse to accept how expensive this is going to be, how long this is going to take. And there are many issues that have to be honestly addressed. And that should be outside the political process, because clearly they go to the heart of America's security and safety.

CLINTON: With respect to Dr. Rice, we spoke to her by phone. We had a very (inaudible) conversation about the recommendations we were making with respect to both Afghanistan and Iraq. She said she wanted to talk with us further when she got our longer letter, which she should get sometime later today. And we look forward to that.

QUESTION: Did you talk to her at the same time?

CLINTON: Yes.

REED: We did. We were on a conference call. And it was a very positive response. She was very interested in our comments and she pledged not only to read the letter, but to get back to us and to continue this dialogue and discussion.

CLINTON: I mean, I think the bottom line for Senator Reed and myself is that we want to be successful in our efforts for our country in both Afghanistan and Iraq.

We cannot afford to fail. Whatever one thinks about the decision to go into Iraq, that's water under the dam. We've got to win and we have to establish a stable, functioning Iraq.

So that should be the focus of our concern. That should be the focus of debate in the Congress and in the country.

And we cannot forget about Afghanistan because, after all, that's where the face of international terrorism resides. Osama bin Laden is the face of international terrorism. And our failure to apprehend him means that whether he's dead or alive -- and we don't know which -- he is a mythic presence, he is a recruiting tool, and he is a continuing real and present danger to the security of Americans.

So there is no excuse for anything other than having the country united behind a winning strategy, and what we hope is to contribute to how that winning strategy can be devised and implemented.

REED: Anyone else?

CLINTON: Thank you. Thank you.

REED: Thank you very much. Thank you.

QUESTION: Your nice graphic says the 25th to the 30th, but didn't you leave on the 26th?

CLINTON: No, we left Wednesday night.

REED: Wednesday night.

QUESTION: You did leave on the 25th?

CLINTON: We left Tuesday night, Tuesday night. Sorry. Yes, Tuesday night, because it took us a whole day to get there.

QUESTION: And you were planning to go a week earlier?

REED: October we were planning to go. Well, many weeks ago. You're right. Originally, our trip was going to leave on the 21st and carry us before Thanksgiving. We'd be back early Thanksgiving morning here in the United States, but because of the session we had to just (inaudible). And it was, I think, interesting and helpful, because we could be with troops on Thanksgiving Day.

QUESTION: Did you plan this before or after the president planned to go?

CLINTON: No, we've been -- I don't know anything about his plans.

REED: We'd been planning this trip for weeks in early October.

QUESTION: Do you think the president's trip will have any long- lasting effects, or, as critics say, was it, frankly, a publicity stunt for the elections?

CLINTON: Well, I think it's always good when the commander in chief visits troops in a conflict zone. I was very pleased that he was able to go under the conditions that he had to travel. And I think the troops who got to see him were also very pleased.

You know, morale was high in both Afghanistan and Iraq, but it can always get a necessary boost when somebody comes to tell the troops what a great job they're doing. You know, Jack and I found that in our trip.

So I'm really pleased that the president could go. Having said that, you know, the trip doesn't substitute for a workable plan that has a higher potential for success than what we saw on our trip.

And I'm hoping that not only -- obviously what Senator Reed and I say, but many of our colleagues who have gone before us -- and this is Senator Reed's second trip -- on both sides of the aisle, Senators McCain and Hagel and others have delivered basically the same message.

We keep delivering it, hoping that we can get some kind of change in policy and response, because we see the same things on the ground when we're there.

And it's troubling, because the troops are doing a fabulous job. I mean, I just can't say enough about these young men and women. And of course, I was personally very proud to visit troops from New York, from the Niagara Naval Reserve Station in Niagara Falls.

Everywhere I went, we were flown from Baghdad to Kuwait one night with no lights and a dark takeoff by a crew from Niagara. You know, we saw the best of the best on our trip. And they, too, deserve to make sure that the policy is commensurate with their commitment and sacrifice.

REED: We got flown in a vintage 1961 aircraft by a vintage 1978 pilot. You can see the equipment problems we have.

The other thing about the president's trip, he set off a new fashion trend because when I arrived I was presented an Army jacket with the patch of the 143rd Military Police Brigade. So new fashion has been sent.

Thank you very much.

CLINTON: Thank you all very much.

"This Week with George Stephanopoulos," ABC, 12/7/2003

Just back from Afghanistan and Iraq, Senator **Hillary Rodham Clinton** has serious questions about the US mission.

graphics: headliner

SENATOR **HILLARY RODHAM CLINTON,**

DEMOCRAT, NEW YORK

It is clear that there is some concern that the process in Iraq for elections is being driven not by the conditions on the ground in Iraq, but by the timetable for our own elections. That the administration is intent on some kind of exit strategy, some kind of transition, before our election. I'm afraid that's an artificial deadline, and it may not be at all the right kind of time frame for what we need to try to accomplish.

GEORGE STEPHANOPOULOS

(Off Camera) Senator Clinton joins George Will and me here in the studio now. Welcome.

SENATOR **HILLARY RODHAM CLINTON**

Thank you. Glad to be here.

GEORGE STEPHANOPOULOS

(Off Camera) In that press conference, you also said we needed more troops, and that we had to be straightforward about what success would take in Iraq. In that vein, how many more troops are needed now, and how long should they stay?

SENATOR **HILLARY RODHAM CLINTON**

Well, George, obviously, that is an issue that people have been talking about for a long time. You know, a lot of my colleagues, like Senator McCain and other have been saying it for many months.

GEORGE STEPHANOPOULOS

(Off Camera) Another division.

SENATOR **HILLARY RODHAM CLINTON**

Exactly. We're in a real dilemma. As you saw on the front page of our newspapers just yesterday, you know, some of our divisions that are being rotated out have just been depleted, you know, not only in terms of their personnel and the energies that it takes to keep going, but the equipment that they have to recapitalize. What I have said is that I do think we need more troops. My preference would be that we look at the mix of troops that we have on the ground with respect to American forces, because over and over again I was told, we don't have enough intelligence, or civil affairs, or even MPs and engineers. But I still believe that we would be doing ourselves a great favor in the long run by trying to

internationalize this and getting more troops on the ground from other countries who could be involved in this effort with us.

GEORGE STEPHANOPOULOS

(Off Camera) But General Sanchez, General Abizaid, Secretary Rumsfeld, the president, all say we don't need any more troops. Were they telling you something different?

SENATOR **HILLARY RODHAM CLINTON**

Well, what they say is that they don't need more troops, but everyone says we need a different mix of troops. And that's often lost. But I have to say that I understand why they don't want to have to move more troops in. Frankly, we're stretched so thin in our forces internationally, it's gonna be hard to find the troops that we would need to put into Iraq. I'm worried that we diverted too many troops out of Afghanistan and too many other assets. But the bottom line for me is what is our mission and how are we trying to do it? We did have enough troops on the ground to win militarily. Nobody doubted we were going to be successful, we have, as we've seen, the most extraordinarily successful military probably in the history of the world. We didn't have enough troops to dominate. Over and over again, I heard from Iraqis that why did we let the looting go on? I mean, that is still a huge issue for people. And I think part of it is that, you know, we had enough troops with respect to defeating Saddam Hussein, the Republican Guard, they didn't put up the kind of resistance that people feared, but we didn't have a big enough footprint to really dominate the country once the military victory was won.

GEORGE WILL, ABC NEWS

(Off Camera) Did the Iraqis you talked to say we should not have disbanded the Iraqi Army?

SENATOR **HILLARY RODHAM CLINTON**

You know, that's a really delicate issue. There are some people who obviously are glad that any remnant of the Baathists was -rooted out in that effort. I think the general opinion, though, is it was a mistake, that we could have de-Baathitized the upper ranks of the military. But to turn loose men with weapons and no payment for months was not only a practical error, but on an emotional or psychological basis, it sent the wrong message to people. You know, I, I look at some of the incidents of terrorism with the former regime loyalists and, obviously, could we have avoided some of that, prevented them from joining up and coming after us if they had felt they had a stake in Iraq's future? I mean hindsight's 20/20, but I think we, we might have been able to do some better planning.

GEORGE WILL

(Off Camera) You say you're worried that domestic politics here may be driving our timetable and that we may leave before the job is done. What's the job? Is, the administration says Iraq is going to be a transformational moment in the whole region. We're going to bring democracy. Is that realistic?

SENATOR **HILLARY RODHAM CLINTON**

Well, George, I've been reading some of what you've been saying and I know you recently gave a speech in New York raising some serious questions about that. I think the jury is out. We don't know. But let's have more modest goals. Let's try to stabilize Iraq first. Let's try to stabilize Afghanistan first. One of the reasons I went to Afghanistan is, as one soldier said to me, welcome to the forgotten front line in the war against terrorism. You know, we have a huge job in front of us to try to bring security and some kind of stable government to Afghanistan. Iraq, the job is clear to everybody because it's still on our minds and on the front lines everyday.

GEORGE WILL

(Off Camera) But the president gave a speech a month ago said, to use a phrase from Ronald Reagan, said, we don't want to be guilty of cultural condescension, the prerequisites of democracy exist in Iraq. Do they?

SENATOR **HILLARY RODHAM CLINTON**

Well, I think wherever there are human beings who aspire to freedom and a better life for themselves and their children, we have to expect that the ingredients are there. But we know that stirring up the recipe and producing something that is digestible ...

GEORGE WILL

(Off Camera) But did they aspire to ...

SENATOR **HILLARY RODHAM CLINTON**

... is a very long term project.

GEORGE WILL

(Off Camera) Do they aspire to freedom as we understand it, or do they want a theocracy? Do they want ...

SENATOR **HILLARY RODHAM CLINTON**

We don't know that.

GEORGE WILL

(Off Camera) ... a secular state?

SENATOR **HILLARY RODHAM CLINTON**

We don't know that yet.

GEORGE WILL

(Off Camera) How do we find out?

SENATOR **HILLARY RODHAM CLINTON**

Well, I think we find out by trying to have a more responsible internationalized transition. If it -you know, I, the sense I had is that many Iraqis are afraid we'll leave too soon and resent that we may stay too long. So, how do we strike the right balance? And, clearly, we don't have on the ground in Iraq the kind of ingredients for stability that many people, before the military action, said we did. So, there was a lot of miscalculation and, and, frankly, inept planning that we're now living with the consequences.

GEORGE STEPHANOPOULOS

(Off Camera) You've raised the, the suggestion that this timetable is being driven by politics. And I want to show you something that was written in this morning's "New York Times" by Lucian Truscott who's with the 101st Airborne.

GEORGE STEPHANOPOULOS

(Voice Over) He said that "A colonel in Baghdad, who will go nameless here for obvious reasons, told me just after I arrived that senior Army officers feel every order they receive is delivered with next November's election in mind. So, there's little doubt at and near the top about who is really being used for what over here. The resentments in the ranks toward the civilian leadership in Baghdad and back in Washington is palpable." Is that what you found and do you believe the timetable is being driven by politics?

SENATOR **HILLARY RODHAM CLINTON**

Well, George, I hope not. I raise it because, just as Mr. Truscott reports in "The New York Times," I got a sense of that. That some people, particularly with the abrupt change in plans about when we were going to try turn over ...

GEORGE STEPHANOPOULOS

(Off Camera) They were telling you this?

SENATOR **HILLARY RODHAM CLINTON**

... sovereignty. In so, in so many words, yes. I mean, nobody came out and said that, but a lot of people said to me, you know, we're worried that we're not gonna have the time to do the job right, however the job is defined. And look at the timetable we now have. After the first of the year in Iraq, we're going to be confronting the hajj, right? February. Start, you know, the planning and the pilgrimage will start mid-January going into February. There is a pent-up demand among Iraqis to make the pilgrimage to Mecca. There will be many people wanting to cross the borders from other places, their neighbors, wanting to go through Iraq to get there. We have the rotation of our troops starting in March and April. Many of the best relationships, and certainly the best work that's been done in Iraq on the ground, has been done by the US military. You know, starting with our general officers all the way down to our sergeants, they're the ones who have fixed the schools, fixed the hospitals, stood up the local governments. They're going to be leaving. And, you know, relationships and building trust is hard in any society, but imagine what it's like in this one.

GEORGE STEPHANOPOULOS

(Off Camera) So, how long do you think the troops have to stay?

SENATOR **HILLARY RODHAM CLINTON**

Well, you know, we're still in Germany. We're still in South Korea. We're certainly still in Bosnia and Kosovo. What do we want to accomplish? I mean, obviously this has been somewhat of a moving target on the administration's part as to why we went in in the first place and, and what it is we're trying to accomplish, but I think now that we're there, we have no choice.

GEORGE STEPHANOPOULOS

(Off Camera) Years, not months.

SENATOR **HILLARY RODHAM CLINTON**

We own this issue. There is no doubt that we're going to be there for years. Now, in what form we're going to be there, are we going to be there working side by side with a sovereign government that can bring stability and can avoid some of the pitfalls that any society will have on the road to a democracy? I don't know. Will we remain there as an occupier? I hope not.

GEORGE WILL

(Off Camera) If the Shiite majority says, fine, it's our turn, we want a Shiite theocracy, do we say, well, that's a choice? That's a, majority rules and you rule.

SENATOR **HILLARY RODHAM CLINTON**

Well, that's one of the most difficult questions facing this whole enterprise, and when the president or anyone else speaks about democracy, we have to ask our questions, what do we mean by democracy? Do we mean what we call here a liberal democracy where we have due process, where we have protection for minority rights, where we have a separation between church or mosque and state? Or if the majority rules and the majority happens to be of one particular religious or ethnic persuasion, they get to call all the shots? I think part of what should be underway is an effort to educate people about democracy. You know, in Afghanistan, we are a little closer, although it's still a very insecure environment. They're

about to have their constitutional Loya Jirga. I mean, they have been slowly but steadily trying to educate people about what it is. We're still facing enormous odds in trying to stand up something we would consider a democratic government, but we're making progress there. You know, when I was being briefed in Baghdad, the coalition provisional authority kept referring to comparisons with Germany, and even showed us a chart saying, well, you know, look, we're ahead of where we were in Germany. We have a central bank up and going. And then you looked at one line, how long did it take to get a government in Germany? Ten years. And I think that we need to level with the American people in terms of what the costs are going to be, and the difficulty of this undertaking. Yes, it is a noble endeavor to try to provide the building blocks for a stable democratic regime in that part of the world. But let's not kid ourselves. We are going against history and culture and ethics and, you know, tribal loyalties and religious differences. Does that mean it can't be done? No. I agree that we should do everything we can to be successful. But does it mean we can do it in six months? You know, instill Jeffersonian or Madisonian democracy in that period of time? I think that's unrealistic.

GEORGE STEPHANOPOULOS

(Off Camera) Let's talk about President Bush. You were in Houston this week and I want to show our viewers something "The Houston Chronicle" reported you said.

GEORGE STEPHANOPOULOS

(Off Camera) "President Bush has not only been radical and extreme in terms of Democratic presidents, but in terms of Republican presidents, including his own father. His administration is making America less free, fair, strong, smart than it deserves to be in a dangerous world." Radical, extreme, less free, strong, smart. Those are very tough words. Is that really what you said?

SENATOR **HILLARY RODHAM CLINTON**

It certainly is what I said and it is what I mean. I think we are dealing with an administration that has thrown over the consensus building and the bipartisan agreement that basically built the 20th century America that I'm very proud of, and I'm a product of. And, yes, you know, there may have been people more to the right or more to the left, but if you look at the efforts that were made starting in the 1930s to save capitalism from itself, to put us on the right track, to have the kind of middle class that would grow and provide ladders of opportunity for anybody willing to work hard, you look at how we build up alliances, the painstaking, frustrating work of working with other nations around the world, I don't think that this president had a mandate to do that coming out of the 2000 election.

GEORGE STEPHANOPOULOS

(Off Camera) But if, but if you look at the president's main policies, Iraq, the tax cut, Medicare, in each case, he had significant support from Democrats. 29 Democrats on the Iraq resolution, a dozen on his tax cut, 11 just now on the Medicare prescription drugs. If these policies are so radical and extreme, why are so many Democrats going along?

SENATOR **HILLARY RODHAM CLINTON**

Well, I voted for the Iraq resolution as you might remember. And I'm a strong believer in giving the executive authority. I wish that when my husband was president people in the Congress had been more willing to recognize presidential authority. You recall, we didn't get authority to go into either Bosnia or Kosovo and I think that was a mistake. But I regret the way the president has used the authority. I mean, it's one thing to say, you know, we're heading down a road that is rooted in the values and ideals and practicalities of what got us to this point, looking back at previous administrations, and there was an expectation about how that authority would be used, which, you know, frankly, I'm, you know, disappointed that it wasn't.

GEORGE WILL

(Off Camera) When you say that America is less free, are you referring to the Patriot Act?

SENATOR **HILLARY RODHAM CLINTON**

I'm referring to a combination of factors. I think there are serious questions about the Patriot Act. Again, I voted for it.

GEORGE WILL

(Off Camera) Let me stop you right there.

SENATOR **HILLARY RODHAM CLINTON**

Yes, sir.

GEORGE WILL

(Off Camera) Dianne Feinstein recently said, Senator Feinstein, in a hearing, my office has received 21,434 complaints, and almost all of them were about Patriot Two, which hasn't even been submitted and isn't the law, and most of the other complaints just didn't bear out. I mean, is this, this is a part of the staple of campaign rhetoric during the presidential election, but who's less free because of the Patriot Act?

SENATOR **HILLARY RODHAM CLINTON**

We, you know, I -I didn't say just the Patriot Act and I, I want to make that clear. I think just this past week we had former members of the Bush administration raising really serious questions about holding American citizens incommunicado with no access to lawyers, no due process. I was delighted that people like Viet Dinh and others would raise these questions because these go far beyond, you know, Republican or Democrat. They really go to the heart of who we are as Americans. And I think that you can look and say, well, someone like Padilla who we fear was going to do us wrong doesn't deserve that anyway, but it's in moments like that that our values should be protected against undermining it for any reason.

GEORGE WILL

(Off Camera) In, in your statement to the Houston paper, you said less free, less fair, less smart. How about ...

SENATOR **HILLARY RODHAM CLINTON**

And less strong.

GEORGE WILL

(Off Camera) How about safe, however. The, the big number is, well, if someone had said to you on 9/11, 2001, we're gonna two years and three months and zero additional attacks, I wouldn't have believed it. I don't know if you'd have believed it. Is this dumb luck or is it good government that has kept us safe?

SENATOR **HILLARY RODHAM CLINTON**

It's a combination. And I have said repeatedly that we have made some real progress when it comes to homeland security. But we haven't done nearly enough according to any expert, any non-partisan, independent observer who has looked at what we've done since 9/11. Have we made ourselves safer? Yes, we have. We've done some good work that needed to be done. America was not in the mode of vigilance. I remember back during the 1980s reading research about how scientists and, and others had gone and left unattended baggage in Canada and Europe and Japan and the United States. Everywhere else people saw it, they reported it. We walked by it. We kicked it out of the way. So, we've changed

attitudes. We've put into place some of the building blocks for greater security, but we have a long way to go.

GEORGE STEPHANOPOULOS

(Off Camera) Let's turn to presidential politics for a moment. Howard Dean is electrifying, I'm not going to ask you yet. First Howard Dean. John Breaux was on the program, Senator Breaux last week. Southern Democrat, Louisiana. Here's what he said about Howard Dean.

GEORGE STEPHANOPOULOS

(Off Camera) Do you think the Democratic party needs a stop Dean movement? Could you support him over President Bush?

SENATOR JOHN BREAUX, DEMOCRAT, LOUISIANA

Well, he wouldn't be my choice. I mean, I, you know, it's a question of not doing anything or supporting a candidate that you strongly believe in. And I think he is not my first choice as I've clearly indicated and I think that if he does not moderate his views it's going to be very difficult in a general election, particularly in my part of the country which is the South.

GEORGE STEPHANOPOULOS

(Off Camera) So, he basically said he'd sit on the sidelines if Howard Dean got the nomination. Do you share the concern expressed by him and other Southern Democrats about the viability of Dr. Dean?

SENATOR **HILLARY RODHAM CLINTON**

No. I think we've got a very vigorous campaign for the nomination going on right now, and I'm sure you remember, George, back in December of 1991, we had candidates, including my husband, who were, you know, barely breaking the surface ...

GEORGE STEPHANOPOULOS

(Off Camera) Actually, December was going pretty well.

SENATOR **HILLARY RODHAM CLINTON**

Well, December, but still you were like 2 percent nationally, 4 percent. I mean, it was nothing. And then, even when he got the, finally clinched the nomination in June at the California primary, people were saying it's a disaster, he'll never win, we can't do this. These are, this is extremely volatile, fast-changing situation, and I think our, our goals should be to stand behind whoever the nominee turns out, because whoever our nominee is will be, in my view, a better president than four more years with no accountability, no election at the end of it, than the current administration.

GEORGE STEPHANOPOULOS

(Off Camera) But your husband was a Southern Democrat who actively tried to move the party into the center, and it doesn't seem that's exactly what Howard Dean is doing right now.

SENATOR **HILLARY RODHAM CLINTON**

Well, I think that, you know, we just have to wait to see how it emerges. And I'm not going to comment on the races that anybody's running because I know how difficult it is to actually pull together the -delegates you need to win at the convention, but then we'll see where it goes from there.

GEORGE WILL

(Off Camera) Senator Breaux speaks as a Southerner. We have a graphic here to show you. These are electoral votes 1968 through 2000.

graphics: presidential elections 1968-2000

GEORGE WILL

(Off Camera) There have been 1,385 of them. Republicans have won more than 80 percent of them. Now, that's a big load to carry going into an election. Is Howard Dean, who is going to campaign down there on three things, I guess, civil unions, you're undertaxed and the war is wrong. Are those three things going to help you down south?

SENATOR **HILLARY RODHAM CLINTON**

Well, I don't think he'd agree with that characterization, but, you know, I'm going to wait to see ...

GEORGE WILL

(Off Camera) What did I, what did I get wrong?

SENATOR **HILLARY RODHAM CLINTON**

But, George, I'm gonna wait to see who the nominee is because I don't want to comment on any one of them. This is nowhere near done. I mean, I remember the Monday before the New Hampshire primary being told that Bill Clinton would be lucky if he broke into double digits. So, I am very skeptical of all of this commenting and Monday morning quarterbacking about people's campaigns. I think people have to be allowed to actually vote and express an opinion in a primary or caucus. We'll see who emerges from that and then we'll see what they do for the general -election campaign.

GEORGE WILL

(Off Camera) But there's rather a torrent of good economic news right now. I don't know. You've got some numbers on this?

GEORGE STEPHANOPOULOS

(Off Camera) We actually don't have them now, but President Bush is out there all week, high productivity, high economic growth, unemployment starting to inch down. How do Democrats make the case?

SENATOR **HILLARY RODHAM CLINTON**

Well, I think there is both a present and a future case to be made. Certainly, the job growth was disappointing and has not really returned, and I see no way that this president will not end up in November of 2004 with a net job loss. But there's also a responsibility to look beyond the present and look at what has been set in motion by this administration that will cause us to have long- term economic problems that will basically be transferring huge amounts of debt and burden onto the backs of our children. Now, some people say we can't make that case. I, I give the American people more credit than that. I think that having lived through the huge deficits of the '80s, having seen what Bill Clinton did to reverse our fortunes and what it meant in terms of job creation, I don't think people will be reluctant to look at the future economically, too.

GEORGE WILL

(Off Camera) Factory jobs are indeed down 16 percent, but American factories are producing more than ever before. Steel jobs since 1982 down 76 percent and more steel is being produced today because American workers are more productive. Isn't the job story, the difficulty in creating more jobs, good news. That America is now more productive than ever before?

SENATOR **HILLARY RODHAM CLINTON**

Well, I suppose it depends if I'm, whether you're one of those without a job. I mean, one of the problems ...

GEORGE WILL

(Off Camera) 95 percent have jobs.

SENATOR **HILLARY RODHAM CLINTON**

Well, but one of the problems are some very long-term, persistent under and unemployment among many populations in the country. And we're now seeing outsourcing of, of not just manufacturing jobs, and not even just service jobs, but increasingly high value, highly paid jobs. This administration has no economic policy, the best I can determine, except cut taxes. I don't think that's an adequate answer to what we face in this global economy. And I would hope that that will be part of the debate. What is it we're going to do, not just to have jobs, but to continue the standard of living that gave the American middle class the greatest run of prosperity in the history of the world? That is at risk. Now, there are people like us who are, you know, members of the kind of affluent intelligencia, or whatever we want to call ourselves, who can manipulate, you know, numbers, and symbols, and words, and the like, and there may be a place for us no matter what happens. That is not the case. I represent Upstate New York, which has had an exodus of jobs. These are good people, they're hard working people, they built this country. There is no real overriding policy that's going to bring back that kind of prosperity and I think we were on the road to doing that under the Clinton administration, and we've reversed course.

GEORGE STEPHANOPOULOS

(Off Camera) We only have a minute left and I can't let you go without one final political question. I know you said you're not gonna run, no way, no how, but one question. The nominee comes to you in July, has all this polling, he's run it by your pollster and says, Senator Clinton, if you join the ticket, Democrats can win this race. If you don't, they can't, will you accept?

SENATOR **HILLARY RODHAM CLINTON**

That is not going to happen, George. That is so, that is so, that is so far ...

GEORGE STEPHANOPOULOS

(Off Camera) That is not a no. It could happen.

SENATOR **HILLARY RODHAM CLINTON**

... out of the realm of the possible. That, that is not going to happen. Look, I'm going to support the nominee, and I think we've got at least a 50/50 if not slightly better chance of winning. And I know that's not something that people around Washington necessarily agree with, and so I'm going to support the nominee. I hope we're going to have a victory. And then I'll support the nominee whoever it is, assuming that person does a good job for re-election in '08.

GEORGE STEPHANOPOULOS

(Off Camera) And if you're on the ticket, please come back and talk to us about it. Senator Clinton, thank you very much.

SENATOR **HILLARY RODHAM CLINTON**

Thank you both.

GEORGE STEPHANOPOULOS

(Off Camera) When we come back, "The List" has Howard Dean on the hot seat. Stay with us.

commercial break

"Face the Nation," CBS, 12/7/2003

JOHN ROBERTS, host:

And with us now is New York Senator Hillary Clinton.

Good to see you this morning. Thanks for coming in.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Thank you. Glad to be here, John.

ROBERTS: So Andy Card paints a pretty rosy scenario of what's going on in Iraq. Do you agree with him?

Sen. **CLINTON**: I think rosy scenario is alive and well in the White House these days based on what Mr. Card had to say. There are some things that are going right. My trip to Afghanistan and Iraq illustrated clearly to me that our troops are doing a great job under very difficult circumstances and that we are making some progress on the ground, but we have such a long way to go. And I think that one of the missing elements in our strategy thus far has been the president and the administration leveling with the American people about what it is we're up against, how long it's going to take, how much it's going to cost.

ROBERTS: This is a rare moment where you seem to at least be partially in agreement with Newt Gingrich.

Sen. **CLINTON**: Yes, I--I--I find myself amazed by that. I'm sure he's even more so. He has apparently written quite a critical piece of the administration's policy in Iraq, and in it...

ROBERTS: Accusing them of going over a cliff in the postwar period.

Sen. **CLINTON**: That's right, and pointed out some of the deficiencies in the--on-the-ground operation in Iraq. No reasonable person looking at the facts can't see that there are some real problems that we have to deal with. I don't think happy talk, you know, is a substitute for a policy. And maybe they'll listen to Newt Gingrich. They certainly haven't listened to anybody else.

ROBERTS: You've talked about the need to internationalize the operation there. What do you mean when you say internationalize? How--how could it be more internationalized than it is already? You already have troops from a number of different--different countries there. You have a number of different countries participating in the rebuilding.

Sen. **CLINTON**: Well, what I have in mind is something more on the order of both what we did in Bosnia and Kosovo in the Clinton administration and what we have been attempting to do in Afghanistan. You know, if you remember in Afghanistan, we had a--a conference in Bonn that brought together many of the leaders of Afghanistan. We put into place a process that led to a Loya Jirga that selected President Karzai which provided legitimacy within Afghanistan for the Karzai government. We have a NATO mandate which has given some real support to what we're doing in Afghanistan, although, frankly, I'm disappointed NATO hasn't stepped up with more forces and equipment.

But Afghanistan is not under the same kind of attack as Iraq because, in effect, it has to been internationalized even though clearly the United States military and the United States political leadership is still calling most of the shots. In Iraq, it is clearly an American operation. We do have allies, unfortunately not as many or in the numbers that we need, and we don't have, though, the international legitimacy that would really benefit us as we move toward some kind of governmental transition.

ROBERTS: But when you talk about bringing the United Nations in and giving over some control to the UN, I mean, how much control would you give them? Would--would you give them command of US troops? Would you let them oversee the elections?

Sen. **CLINTON**: Well, I think those are two very different questions. In the Afghan situation, of course, American troops are under American command even though NATO troops are in there and we want more NATO troops, and even though the UN will oversee the elections, there are many ways of working this out. The administration's stubborn refusal to try to enlist friends and allies to be partners in our effort in Iraq I think is undercutting the legitimacy and the potential success of what we are trying to accomplish.

And what I would recommend is that we do something along the lines of what we've done in Bosnia, Kosovo and Afghanistan: Convene the friends of Iraq, convene some kind of oversight that would provide legitimacy. I don't think it would hurt us in the least to have an international face on the political side of this. American military command would stay right where it belongs under American military leadership, but perhaps we could persuade if not NATO than others to come in with more security support as well as political, economic and reconstruction aid.

ROBERTS: The administration has set a timetable for June to try to stand up a provisional government in an effort to try to draw down troops. You've said that this appears to be happening on a--a political timetable. But is it not legitimate to try to stand up an Iraqi government as quickly as possible, and to begin to bring the troops home?

Sen. **CLINTON**: Absolutely. And what I've said is that I hope it's not on a political timetable, although I certainly heard from a lot of people in Iraq that that was the concern. And I know today a distinguished military expert has written in The New York Times--expressing what he heard on the ground in Iraq from many of the military commanders, that they feel many of the decisions are being pushed by our election timetable.

And look at our dilemma. Yes, we do need some kind of Iraqi governance that is viewed as legitimate and that can serve as a transition, because we know that we're not going to make the progress on the ground that we need until that's in place. But we've lost valuable time, and we don't have a bridge between the American occupation--which, remember, we declared as an occupation--and that sovereignty or governance in Iraq. That's why I think the international bridge makes sense.

Unfortunately, if you look at the next six months and the transition that has to be undertaken, we're facing some big challenges. You know, the hajj, the pilgrimage to Mecca, begins late January, February. There's going to be a pent-up demand in Iraq for people to go to Mecca. There are going to be a lot of pilgrims who are going to want to cross Iraq. That poses tremendous security challenges. And also, we've got to look at March and April, when the troops who've been on the ground, doing a fabulous job--they're the ones who, frankly, have fixed those schools and those hospitals and stood up those local governments. They're going to be leaving.

So just at the most critical moment that we expect to make a transition to something in June, the people who've developed the relationships, who have been primarily military, not civilian, are going to be leaving, and the Iraqis are going to have to deal with a whole new set of military commanders. And this is not just a job that's been done by generals. It's been done by other officers down through sergeants and privates. And it's really, something that I think we don't understand fully, the implications of making that transition at such a sensitive time.

ROBERTS: So just back to my original question--you--you have suggested that there's a political imperative here to try to get the troops out. One of the places where you--you made that claim was while you were on the ground in Iraq, and people accused you of playing politics...

Sen. **CLINTON:** Well...

ROBERTS: ...taking--taking that moment to criticize the president. In--in hind...

Sen. **CLINTON:** Well, actually, that...

ROBERTS: In hindsight, would--would you have criticized the president while you were on the ground in Iraq?

Sen. **CLINTON:** Well, let me correct the record, that it didn't happen. I know that's the--the latest flaming charge by the right wing. But that's not what happened. What happened is that when I was in Afghanistan and Iraq, speaking with a lot of our soldiers, who I think are doing an extraordinary job under dangerous and difficult circumstances, they asked me on one particular occasion, 'Well, you know, what do people think of us and what we're doing back home?' Now I'm not going to lie to an American soldier, particularly a soldier in the 10th Mountain Division from Ft. Drum, New York. And what I said is, 'I think you have universal support among the American people. They cannot be prouder of you. And there are questions being raised about the administration's policies.'

Now they know that. They get the Internet. They get the media. They're well aware of that. When I returned home, Senator Reed and I held a press conference, and in that I said that I heard from many people, both Iraqis and Americans, that they were concerned that the administration's policy, which has hardly been an example of 'steady as you go' and has instead been improvised and--and, frankly, the failure to plan for the post-military period has really undermined and hurt us--that there were questions being raised about whether this was really about what's best for the long-term stability of Iraq or what's best for the November elections. Other commentators are starting to say that, too, because they hear the same things that I heard on the ground.

ROBERTS: Let me just ask you one more question about Iraq, if I could. You were there right after the president made his clandestine trip to Iraq.

Sen. **CLINTON:** That's right.

ROBERTS: Your--your impressions of that, and should, as the Iraqi people have complained--should the president have tried to get out a little bit more?

Sen. **CLINTON:** I have said--I was in Afghanistan on Thanksgiving, and I think it's--it's terrific any time an American elected official, particularly the president, who is the commander in chief, goes out and sees our troops in a conflict zone. So I had nothing but positive response to the president taking the risks, which are genuine, because I know from my own trip that, you know, the security situation is not good.

ROBERTS: Well, could he have risked getting out from the airport or was it prudent for him to be there for two and a half hours and then fly back?

Sen. **CLINTON:** You know, I'm not going to second-guess the planning of the Secret Service and the White House staff. I just would say that it was terrific that he went, and I think it gave a--a boost to our troops.

Having said that, a trip is not a substitute for a plan, and the administration has not had a plan. And for the life of me, I don't understand that. During the time of my service on the Armed Services Committee, since last January, there have been numerous hearings and witnesses who came before us, both before and after the military action commenced. Time and again we would say, 'Well, how many troops are we going to need? How long will we have to be there? How much is it going to cost?' and we were told, 'Well, we don't know that.'

And, well, we didn't get the facts except that one moment when General Shinseki, to his great credit, said, 'You know, we're going to need 150,000 to 200,000 troops,' and he was called on the carpet. The Army chief of staff telling the truth, not only to the Armed Services

Committee, but to the American people, and he was, I think, treated rudely and unfairly. But--but the problem is that they weren't just holding something back. Many of us thought, 'Well, you know, they don't want to share their plans.' They didn't have a plan, and that's what we are living in the aftermath of, unfortunately.

ROBERTS: I want to move on to a couple of other topics because we're beginning to run out of time already. Can you absolutely, or will you absolutely rule out a run for the presidency in 2004?

Sen. **CLINTON**: You know, I've said--said this so many times that--and--I--you know, I'm not running. I'm going to support who the nominee is. And I think we've got...

ROBERTS: So you won't go back on that?

Sen. **CLINTON**: I...

ROBERTS: You can say absolutely not running next year?

Sen. **CLINTON**: I have said it over and over again. I think we've got at least a 50-50 chance for our nominee to win in November, and I'm going to do everything I can to elect the Democratic nominee.

ROBERTS: So who it? Is it--is it Howard Dean? Is he indelibly out in front now? I mean, he's obviously the person to beat. Can he be president?

Sen. **CLINTON**: John, I have learned a long time ago and--and sitting here now 12 years after December of 1991 when my husband had, I don't know, 2 or 3 percent in the polls, and even in the months after that, nobody thought he could win. I don't make any guesses. It's really up to the people who go to the trouble to vote in primaries and attend caucuses. I think we've got a vigorous campaign going on. I believe the person who will emerge from that is going to be in a good position to take on President Bush.

ROBERTS: Is Dean the sort of person that you could support?

Sen. **CLINTON**: I'm going to support the nominee. I am excited about this campaign. I'm not at all discouraged by, you know, the second-guessing that goes on here in Washington because having now been out in the country and having talked with a lot of people because of my--my book tour over the last many months, there's a tremendous unease about the direction this administration is taking our country. And if you just compare where we were and where we are now in the last three years, are we safer, are we stronger, are we fairer, are we better than we were? I think the answers to those questions are going to give a lot of people pause.

ROBERTS: Let me talk about the Democrats, if I could, for a second here. They--they seem to have had a lot of trouble in the legislative process recently. There's been a tremendous number of Republican victories. I think I--I read an article that said it very eloquently that on the Medicare bill, Democrats got steamrolled by their own steamroller. Why are they in such disarray? Why are the Republicans getting everything they want?

Sen. **CLINTON**: Well, first of all, the majority in both houses of Congress have tremendous power. You know, I've only been in the Senate a little less than three years. I've been in the minority, the majority and the minority. And the majority has an extraordinary ability to set the agenda. And once the agenda is set, it may not be your agenda, you have to react to that agenda. So I think on--on many grounds, the Democrats have ameliorated the most extreme versions of the right-wing agenda coming out of the Republican leadership and the White House. But it's a difficult position to be in. And I still believe that the majority of Americans are more in agreement with the policies of the Democratic Party, but we have to do a better job of communicating that.

ROBERTS: One of the big social issues that--that may rise to the surface next year is this idea of gay marriage. You've--you've said that you're in favor of civil unions. Are you still opposed to gay marriage?

Sen. **CLINTON**: I am, you know, for many reasons. I think that the vast majority of Americans find that to be something they can't agree with. But I think most Americans are fair. And if they believe that people in committed relationships want to share their lives and, not only that, have the same rights that I do in my marriage, to decide who I want to inherit my property or visit me in a hospital, I think that most Americans would think that that's--that's fair and that should be done.

ROBERTS: Would you be opposed to a constitutional amendment banning gay marriage?

Sen. **CLINTON**: Yes, I think that would be a--a terrible step backwards. It would be the first time we've ever amended the Constitution to deny rights to people. And I think that should be left to the states. You know, I find it hard to believe in one program I'm agreeing with Newt Gingrich, now I'm about to agree with Dick Cheney. But I think Vice President Cheney's position on gay marriage is--is the right one.

ROBERTS: Well...

Sen. **CLINTON**: You know, leave it to the states. Let the states decide what's in their constitutions, what is in their legislative agendas and let it go forward from there.

ROBERTS: Well, those two items if nothing else, are news. Senator Clinton, thanks for being with us this morning. Good luck at the Grammy Awards.

Sen. **CLINTON**: Oh, bless your heart.

ROBERTS: Your nomination for "A Living History."

Sen. **CLINTON**: Thank you so much.

ROBERTS: All right. Take care.

And we'll be back in just a moment.

(Announcements)

REMARKS BY SENATOR HILLARY RODHAM CLINTON (D-NY) TO THE COUNCIL ON FOREIGN RELATIONS, 12/15/2003

TOPIC: HER RECENT TRIP TO IRAQ AND AFGHANISTAN

MODERATOR: RICHARD HAASS, PRESIDENT, COUNCIL ON FOREIGN RELATIONS

LOCATION: THE COUNCIL ON FOREIGN RELATIONS, NEW YORK, NEW YORK

SEN. **CLINTON**: Thank you very much, Richard, and it's delightful to be here this morning and to have this opportunity to speak with all of you.

I want to thank Richard and congratulate him for his transition from government to the council and especially for his role in the Northern Ireland peace process, which has been a vitally important one, on behalf of our country.

I also want to extend my best wishes -- and, I'm sure, the best wishes of all of us here -- to Secretary Colin Powell, who, it was announced this morning, will be having surgery for prostate cancer. And I think all of us send him not only our warmest wishes but our gratitude for his public service and his continuing contributions to our country.

You know, it is a great opportunity for me here in New York, before this prestigious body, to speak about where we find ourselves with respect to foreign policy. And I think it's appropriate to put it into the context of a quote that I agree with, that was made by the former council president, Leslie Gelb, who said that the purpose of the Council on Foreign Relations, as an organization, is to promote American internationalism based on American interests.

We stand at a point in time where we are now in the process of redefining both American internationalism and American interests. That probably would have been inevitable, because the process of adjusting to the changes at the end of the Cold War, the extraordinary advances in technology and globalization, the spread of so many problems globally, most prominently terrorism, would certainly have brought that about.

But it is also true that given our reaction to the events of September the 11th and to our missions in Afghanistan and Iraq and other problems that we face around the world, what was a description by Leslie Gelb has become an imperative, and an imperative not just for those in elected office, not just in the administration or the Congress, but, I would argue, for a much broader debate amongst our citizenry. There's a role for the private sector to play that I think has been neglected over the last several years. There's a role, certainly, for academia and not-for-profit organizations. There's a role for every segment of our society.

As we look out around the world and attempt to define internationalism and American interests, we certainly have our work cut out for us. But it is a timely discussion and one that we ignore at our peril.

When we were attacked on September the 11th and when we lost nearly 3,000 men, women and children, for many Americans, that was also a loss of innocence and a sense of invulnerability. I remain absolutely confident in our eventual victory over the forces of terror, but I also believe that we have our work cut out for us and that what we face is a long-term challenge that not only is external but internal, as we define who we are, what our values should be in the face of this new threat.

It is true that I am confident about the outcome, but I worry about the cost. I worry about the price being paid by young men and women in uniform fighting in difficult terrain. I worry about our brave first responders, who we will once again expect to answer the call of duty should we face another attack on our shores. And I worry about the fear that I see among so many of our citizens, a fear that is understandable but one which, unfortunately, may very well undermine the values that have made us so strong, so optimistic, for so long.

As you know, I recently returned from places where Americans are risking their lives. Foremost are military forces, but also civilians who have answered the call of duty as well. Hundreds have been killed and thousands grievously injured. With my colleague on the Senate Armed Services Committee, Jack Reed of Rhode Island, we were privileged to spend Thanksgiving with our troops in Afghanistan and then go on to Iraq. I was especially pleased that I could visit the 10th Mountain Division soldiers who are on the front lines in Afghanistan and could bring over 3,000 letters from school children here in New York expressing their thanks and telling the soldiers what it meant to them that they were there defending their freedom as well.

I know that a short trip such as the one that I took is only a snapshot, but it is a snapshot that both confirmed much of what I already believed and had learned from the countless briefings and other committee work and much of the attention that has been focused on Iraq and Afghanistan, but it also opened my eyes and led me to think a little bit differently about some of what we should be doing.

It is essential that we win this war against these borderless terrorists, but it is, I believe, critical that we once again recommit ourselves to that American internationalism that I mentioned in the beginning. For more than a half a century, we know that we prospered because of a bipartisan consensus on defense and foreign policy. We must do more than return to that sensible, cooperative approach. I think we should be in the midst of working to reform the institutions and alliances that we historically have been part of, revamping agreements that we reached in the past that may no longer be as timely and effective as we would hope, working and examining relationships around the world not because it's a good thing to do, not because it worked in the 20th century, but because it remains as essential today as it was in the past in order to meet the 21st (sic) challenges of terror and the proliferation of weapons of mass destruction.

We obviously need to build a world with more friends and fewer terrorists. The question is, how do we do that? Everyone agrees on the goal, but what are the strategies most likely to result in success?

Turning to Iraq, yesterday was a good day. I was thrilled that Saddam Hussein had finally been captured. Like many of you, I was glued to the television and the radio as I went about my daily business. We owe a great debt of gratitude to our troops, to the president, to our intelligence services, to all who had a hand in apprehending Saddam. Now he will be brought to justice, and we hope that the prospects for peace and stability in Iraq will improve.

I was especially pleased that the capture was led by the 4th Infantry Division, whom I visited in Kirkuk and had a a briefing from the commander, General Odierno, and during that briefing was given some insights into the efforts to apprehend Saddam. And it's very good news indeed that they have come to fruition.

This moment, however, cannot be just about congratulating ourselves and the Iraqi people for this capture. It should be a moment where we step back and consider how now to go forward. What is it we can do today, based on the circumstances of yesterday, that will strengthen our hand and move the Iraqis closer to a time when they can have self-government and create a stable, free, democratic Iraq?

I was one who supported giving President Bush the authority, if necessary, to use force against Saddam Hussein. I believe that that was the right vote. I have had many disputes and disagreements with the administration over how that authority has been used, but I stand by the vote to provide the authority because I think it was a necessary step in order to maximize the outcome that did occur in the Security Council with the unanimous vote to send in inspectors. And I also knew that our military forces would be successful. But what we did not appreciate fully and what the administration was unprepared for was what would happen the day after.

It has been a continuing theme of my criticism and others that we would be further along, we would have more legitimacy, we would diminish the opposition and resentment that is fueling whatever remains of the insurgency if we had been willing to move to internationalize our presence and further action in Iraq. I believe that today. And in fact, I think that we now have a new opportunity for the administration to do just that.

We could, if the administration were to be so inclined, open the door to a stronger and wider coalition that would help us rebuild and safeguard Iraq and provide a transition to self-government. As President Bush said in his remarks to the nation yesterday, the capture of Saddam, while extremely important, does not signal the end of this conflict. The violence is likely to continue. It's unclear whether it will spike up or whether it will diminish, but we know it will remain, and therefore, all Americans and international aid workers and Iraqis remain at risk.

So what could we do to try to take advantage of this moment in time? Well, I have both some suggestions and some questions. First, I am worried about the administration's

announced plans to transfer sovereignty to the Iraqis by next July, the way that those plans have been announced and how they would proceed.

The process coincides with the first major troop rotation, meaning that thousands of seasoned American forces will be withdrawing precisely during the time of great domestic sensitivity and even perhaps increased peril. That could be a recipe for disaster.

I and others have questioned the confluence of those two events, and having been on the ground, briefed by not just the generals but talking with colonels and captains and sergeants and privates, it is clear that much of the positive work that has been done in Iraq has been done by our military forces. They have been rebuilding the schools. They have been reopening the hospitals. They have been creating the relationships on the ground with Iraqis. Sitting in a meeting with the members of local governing councils in Kirkuk, it was abundantly clear that their primary relationship is with the military forces that are based there.

And so we not only create the inevitable dislocation that occurs when you're moving thousands of men, women and equipment, but also the destruction of those relationships, that trust that is so hard to build up over time.

So it is clear to me that we are going to have a lot of concerns that have to be addressed if this turnover is to occur smoothly. It would be difficult enough, but we also have no idea how the local people in the various parts of Iraq are going to react to this, because the plan laid out by the administration does not really go to an immediate transfer of political power, but a staging, through a caucus system, to create some kind of legitimate governance structure that can do the constitution and then oversee elections.

That was not at all clear to the people with whom I met in Kirkuk. They had the idea that come June or July, they would be in charge in Kirkuk and that they would have responsibility. And they were anxious to wield it, because they had felt particularly aggrieved over the many years of Saddam's rule, which focused often most harshly on the Kirkuk area.

It would be timely and, I think, appropriate to now create a bridge using international support and legitimacy, similarly to what we did in Bosnia and Kosovo. The timing would be appropriate. The American military would still be in charge and responsible for security, but we could begin to cede some of the hard political decision-making to an international presence.

Now as we look at the election process that is contemplated, Ambassador Bremer told Senator Reed and myself that he would very much like the United Nations to monitor the election process. I agree with that. But it will be very difficult to convince the United Nations to come in to help monitor an election process that it has nothing to do with setting up or creating the means of implementing. I can't believe that we could expect the United Nations to participate without some more authority and involvement. But now would be the time to try to create those conditions.

There are many other issues about our presence in Iraq and the transition that we are attempting to bring about. Among them are the continuing challenges that the Iraqi Civil Defense Force, the police force and the army face.

The Iraqi Civil Defense Force received high marks from both the civilian and military Americans on the ground. They're beginning to do quite a good job patrolling with Americans, as I saw in Kirkuk. But they need more training, they need vehicles, they need uniforms, they need communications equipment. We are further behind with respect to the Iraqi army, but again we can improve conditions there by increasing the pay and the prestige in order to stop the widespread resignation -- as high as 20 percent -- that is occurring.

We also have to reconsider including Ba'athists who were Ba'athists in name only in positions of responsibility, such as teaching and the medical profession. When we disbanded

the army, we disbanded the army of teachers and doctors and others who were compelled, in many instances, to join the party in order to practice their profession and continue their livelihood in Iraq under Saddam.

We are also going to be facing a tremendous movement of people throughout Iraq with the Hajj in late January and early February. There is a pent-up desire among many Iraqis to go to Mecca. So we will have thousands, if not millions, of people on the roads, moving across the country. We will also probably have people coming from Syria and Jordan and elsewhere. There is no way that I can imagine we could prevent that, but providing for the security that will be necessary during this period is an enormous undertaking. And it is only slightly before the date that the massive transfer and movement of our own troops take place. So first, dealing with the Hajj, and then secondly, dealing with our own troops, in mass numbers on the road in their equipment, poses another significant security challenge because, of course, as some troops are moving out, the other troops haven't yet come in. So we're going to be in a transition there, as well.

So the question that I was asked most frequently when I returned was, well, are you optimistic or pessimistic, and I have to confess that my answer is neither. I am both a little optimistic and a little pessimistic, but what I'm trying to do is be realistic about where we are and what we need to be successful. We have no option but to stay involved and committed.

To that end, I applauded both Secretaries Powell and Rumsfeld for their recent trip to NATO to persuade NATO to become involved in Iraq. This may be somewhat tardy, but it is very welcome. Unfortunately, there has not been a very positive response from NATO as of yet. At this point, I think, NATO -- and indeed, non-NATO allies -- have as much of a stake in the success of Iraq as we do. And therefore, they should be looking to work with the administration to create the opportunities that they can then pursue to become more involved in Iraq. It would be extremely important and it would remove the taint of this being an American occupation.

Secondly, I would strongly recommend we create some kind of organization -- call it what you will; the Iraq Reconstruction and Stabilization Authority, or whatever name is chosen.

It could include a proper role for NATO and for the U.N., which would replace the Coalition Provisional Authority, which would add both military and civilian resources so that this was not just an American occupation, and would provide more flexibility for us in achieving the timetable at whatever speed is appropriate to transfer sovereignty to the Iraqis.

Let me turn now to Afghanistan, a place I believe we have not paid sufficient attention to in recent months. And by "we," I refer to all of us -- citizens, the media, elected officials, the administration. And this point was crystalized for me when I was greeted by a soldier saying, "Well, senators, welcome to the forgotten front line of the war against terror."

Over the course of this past year, we've heard so much about Iraq, which is understandable, and so little about Afghanistan, which is not. Afghanistan, I don't need to remind New Yorkers or any Americans, is the place where September 11th was conceived and implemented. It was and still is the place where al Qaeda was based, where its terrorists were trained, where Osama bin Laden lives, there and across the border in Pakistan.

We went in fast and strong in 2001, toppling the Taliban and scattering al Qaeda, and we made tremendous progress in helping a new government form. But too soon, the eyes of the administration moved from Kabul to Baghdad and we began pulling out resources -- troops, intelligence -- and shifting them to Iraq. We reduced our troop commitment substantially. In fact, we had more law enforcement personnel on duty in Salt Lake City for the 2002 Olympics than we have soldiers in all of Afghanistan today.

Now, forgetting Afghanistan seems to come easy to us. We've done it before, leaving a vacuum after a regime was toppled. That was 1989. And after years of helping and equipping and financing Afghan and foreign rebels that were supported by Arab Mujaheddin

whom we essentially created -- such as Osama bin Laden -- to combat the Soviet occupiers, we pulled back. After the Soviets left, we washed our hands and we walked away. And we know the results. Having failed to leverage whatever influence we might have had in 1989, by the mid- 1990s, we had no influence on the Taliban, and less-than-useful influence with Pakistan, who had been the primary sponsor of the Taliban.

Now, some of us spoke out about the excesses of the Taliban regime, especially its treatment of women, and the Clinton administration did attempt, through military action with missiles, to ferret out bin Laden and his training camps. In the years that followed, the government looked for efforts, covert and overt, to try to hit bin Laden, but he was, as he is today, an elusive enemy.

September 11th gave us the opportunity as well as the obligation to do what there had been no domestic or international consensus to do before we were attacked on our own shores: to go into Afghanistan and to try to root out both the Taliban and al Qaeda. We cannot afford to make the same mistake that we made in 1989, yet I fear we might unless we ramp up our involvement in this forgotten front-line land in the war against terror.

First, here we have a commitment from NATO. We were given that commitment, and after some back and forth with the administration, it has been decided that NATO will expand its commitment of troops and equipment. But it has not yet happened. When we were in Kabul, we couldn't even find anybody in the command structure of NATO with whom to speak. When Secretaries Powell and Rumsfeld went to NATO to request assistance with respect to Iraq, Lord Robertson responded, "Well, first we have to fulfill our commitment in Afghanistan." I could not agree more. There is a structure in Afghanistan. We have troops of many nations, including from those that did not support us in Iraq, most notably France and Germany, and we should make sure that the Article 5 commitment is fulfilled in Afghanistan.

Second, we have to do more along the Afghan-Pakistan border. And we were reminded yesterday, with the assassination attempt on President Musharraf, how difficult that effort to control that border remains. We met with President Musharraf at around midnight on Thanksgiving night, after coming from our visits in Kabul, Bagram and Kandahar. And he is a man in a very difficult position. He has been a very vocal and helpful ally to the United States in the war against terror. He has for the first time attempted to put troops into the tribal areas along the border in Pakistan. But he faces considerable risks at moving more effectively against the Taliban and the al Qaeda. We have to support him in every way that we possibly can, and we have to make clear that we need and expect that support.

We know that new training camps have sprung up across the border in Pakistan. We know that new jihadists are being recruited on a regular basis. We know that the madrasses, which become the not only educational facility but the indoctrination tool for between 600,000 and 700,000 young men in Pakistan, are a rich breeding ground for future terrorists.

(Short audio break) -- support President Musharraf is not just with more military equipment, as important as that may be and as much as he may want it, but we should be doing more to help him deal with the educational shortcomings in Pakistan that drive families to turn their young boys over to madrasses. There are no other schools in many of these areas. And because it is a dangerous and largely ungovernable area, it is difficult to recruit teachers and to put in the equipment, the curriculum that could provide an alternative to the indoctrination of the madrasses.

I spoke about that with President Musharraf. He is well aware of it. They are attempting to address it. But this is a rich and important potential area of cooperation not just for the United States but for the larger world community.

Third, we have to continue our close efforts with President Karzai and the United Nations to assure that the constitutional loya jirga that is going on as we speak, and then the elections that are planned to follow in June or July, will stay on track and will provide a real means for

the Afghan people to express their newly found freedom and to create a governing structure that will try to unify this disparate land.

I'm heartened by the news that the loya jirga has commenced, but the news reports that I've seen have been also very touching to me because some of the officials running the loya jirga have said, "Well, the delegates came together and all they wanted to talk about was when will we get a new school, when will we get a new health clinic, how will we get some help for the people who have no money and no means for income?" You cannot proceed, in my opinion, on just the track of electoral, constitutional, governmental effort.

There has to be a comparable parallel track that tries to provide tangible results for the Afghan people about the improvements in their lives.

I suggested to President Karzai that he could perhaps think about adopting some signature issue that would send a clear signal to all Afghans, whether they be Tajik or Pashtun or Uzbek or whatever, that their president was thinking about them and where they lived and the challenges they faced. Because of my strong conviction that attention paid to the role and development of women is the most effective investment one can make, I suggested an effort to try to improve maternal health.

You know, women have always been at the fulcrum of Afghani politics and reaction. It happened in the early part of the 20th century, when the kings of Afghanistan attempted to modernize Afghanistan and pick as one of the principal objectives the more fully participating role of women. And that caused a backlash, which led to all kinds of reaction in the tribal areas. One of the reasons why we were able to marshal the Mujaheddin and the warlords against the Soviets is because the Soviets tried to provide more opportunities for women.

So women's roles is a critical point as to whether there can be a stable, free, democratic Afghanistan. If we were to focus on improving maternal health, that is an objective that is not in any way contradictory to the concerns of the most traditional, as well as the hopes of the most modern Afghans.

I was told that the hospital in Kabul delivers 200 babies a day. That is an astonishing number. And they do it in very difficult circumstances. We could cut in half the maternal death rate in Afghanistan, which is the highest in the world, with relatively little money.

The next step would be more difficult and expensive, but to clearly send a signal that the United States, President Karzai, all of us around the world wish the people of Afghanistan, particularly the mothers of Afghanistan, well would be a political and strategic statement, as well as a humanitarian one. Afghans need better schools, they need more health clinics, and they're expressing that at the loya jirga.

Finally, we have to address the drug problem in Afghanistan. The country produces more opium than any place in the world -- some for export and some, unfortunately, for increasing use right there in Afghanistan.

The consequences are bad all the way around -- for users, wherever they might be; for those who will contract HIV from sharing needles; and for the stability of the Afghan government, because of the role that the warlords and the drug traffickers play in obtaining the results of selling the opium and then having money flow to terrorists and criminal cartels.

There are many other issues of concern that were raised with us: the imbalance of Pashtuns and Tajiks in the army, and the lack of Pashtuns in the government; the touchy relationship between India and Pakistan and Afghanistan, which cannot be permitted to become another proxy for their ongoing conflict.

But the overriding immediate objective of our foreign policy must be to significantly step up our military engagement, preferably through greater involvement from NATO, and then

ramp up our domestic involvement by funding education and health care, and putting in place an aggressive anti-drug strategy.

We simply cannot afford to let Afghanistan slip once again into chaos and become a haven for terrorists and drug lords and criminals.

Finally, with regard to both Iraq and Afghanistan, we need more of something that is often in short supply here in our country: patience. I was struck, during our briefing at the embassy in Kabul, by a comment made by one of our U.S. aid workers, who had recently returned from the Southeast and had met with a number of former Taliban, so-called former Taliban. And one of these former Taliban said, "Americans may have all the watches, but we have all the time." I think it's a lesson that we forget at our peril. This will not be an easy undertaking. It will require patience, and it will require the continuing support of the American people.

I was struck, in my briefing with Ambassador Bremer -- his frequent reference to the American occupation in Germany. I think we've all heard Secretary Rumsfeld, Secretary Wolfowitz and others refer to the German example. There certainly are lessons to be learned from that, and in some respects we have actually exceeded the time line in place there. The banking system is further along than it was at the time in the post-World War II era in Germany. There is a central bank that's up and going, to some extent.

But it took 10 years to create a stable, sovereign government, and we still have troops in Germany, as we do in Japan, as we do in South Korea, as we do in Bosnia, as we do in Kosovo. So the idea that we can somehow bring about dramatic transformational change in either a short period of time or with a relatively limited financial commitment is contradicted by our own history. And therefore we have not only the need for patience but a sense that we are going to be involved over the long run, or we will not guarantee or create the conditions for potential success.

There are a lot of lessons that perhaps we can learn from already looking back at Iraq and Afghanistan. The overriding lesson I take away is the need for international support. And that has become almost a mantra, and people say it, and no one's quite sure what it means, but everyone keeps saying it. But to me, it is clear that just as we were reminded with the quote that I recited from Leslie Gelb that our interests are often embedded in American internationalism, I think have seen that clearly.

The irony is that while the administration was quite dismissive of broader international support before the war in Iraq and until relatively recently, the recent moves to try to obtain NATO support, the appointment of James Baker signal without -- (off mike) -- broaden the international involvement. That certainly seems appropriate, and not just because it is the right thing to do, but because it is the smart thing to do. It is smart to have more people involved. It is smart to move toward multilateralism and away from unilateralism. It is smart to look at how we can get more people to have an ownership and participation interest in what we do.

And of course, that has been undermined in this last week by the by the administration's announcement, very publicly, that they were going to be cutting allies out of reconstruction contracts. Well, I think all of us can agree that American firms should be given preference. The extent of our role in toppling and capturing Saddam Hussein, the risks and losses incurred by our troops and our civilians, the hefty contribution of our taxpayers, the domestic economic situation that we face all argue for preference for American firms.

But the idea of so publicly prohibiting other nations from competition is unnecessarily antagonistic and may hinder our ability to gain support for such causes as debt relief and the fulfillment of financial commitments that were made at the Madrid conference.

We already have a profound problem with how we are perceived today in the world, including among many of our traditional allies with whom we have a lot of shared values in

common. And I have to add that no-bid contracts to the likes of Halliburton here at home does not help our government's image abroad, nor when it appears that taxpayers may be disadvantaged does it help our government's image at home, either.

And finally, let me just end with a few remarks about what we need to do to maintain domestic support for the patience that is required and the commitment that we've undertaken, since failure is not an option. It is extremely important that the administration level with the American people about the costs and the sacrifices that will be required in Afghanistan, in Iraq and in the ongoing war against terror.

Many of my colleagues on both sides of the aisle have urged that the administration not only level with the American people but begin to talk about sharing sacrifice for this ongoing commitment. The lack of call, the absence of a call to sacrifice and to share the burden has been quite telling. And compared with other points of danger and risk in our history, it stands alone. We have gone forward with not only huge tax cuts for the wealthiest among us -- now, of course, since my husband's making money, we're in that category -- (laughter) -- so I certainly am aware of it and the implications -- but the extraordinary deficit that we have now accumulated of a half a trillion dollars suggests that we are not serious about engendering and maintaining domestic support.

One cannot continue to expect the American people to postpone fixing up their own schools and hospitals or foregoing the kind of infrastructure improvements that are called for, in sewer systems and water treatment systems and the like, or continue to do less than is necessary in homeland security to protect our own citizens, without undermining the support for the long-term commitment in the war against terrorism.

I worry a lot about how difficult it will be in the political arena to stay the course. And I would hope that not only in more transparency and openness and candor with the American people, but in a rhetoric that matches the sacrifice made every day by our men and women in uniform we can begin to create a deep and lasting support for what is necessary to be done to protect ourselves and to spread our values around the world, over however many years it may take.

You know, when we look back on our own history and we think about the leaders who have led in the past and have summoned us to difficult goals, it is a great tribute to the American people that they responded to that call for sacrifice and duty. Now we don't have a draft, and it would be all too easy to begin viewing our military as a mercenary force, somebody else's son and daughter or husband and wife, when, I think it's fair to say, that these are the best of the best of our young people in this generation. And if we don't have those of us who are most able to give being called to, it is very easy not only to be apart from, but turn our backs on, the level of sacrifice that is still required.

We need a tough-minded, muscular foreign and defense policy, one that not only respects our allies and seeks new friends as it strikes at known enemies, but which is understood and supported by the majority of the American people. The consequences of unilateralism, isolationism and overtly expressed preemptive defense, I think, are severe. We will end up with fewer nations, fewer intelligence services and fewer law enforcement personnel internationally helping to protect us against attacks, fewer nations helping to counterattack when we are struck, and less leverage in advancing democracy, freedom, open markets and other values that we believe elevate the people of the world even as they protect our people here at home.

This is not to propound some golden rule of international affairs, because I think it's rooted in the intelligence and the success of the 20th century. The more we throw our weight around, the more we encourage other nations to join with each other as a counterweight. We have a lot of problems besides Iraq and Afghanistan on the horizon. The number one problem remains the spread of weapons of mass destruction and those falling into the hands of either rogue nations or borderless terrorists. And so we have to have a united front of the

world that cares about life more than death; that consists of builders instead of destroyers, standing together, fighting together, working together.

It is important that we remember the admonition, more than 40 years ago, of Dwight Eisenhower against arrogance. President Eisenhower said that "the people of the world must avoid becoming a community of dreadful fear and hate, and be, instead, a proud confederation of mutual trust and respect." I think we should listen to such wise counsel from our history, if we are to lead in the 21st century in a way that is keeping with our values and our interests.

We have many, many reasons to work more closely together, but the most important are our children, our future grandchildren, all the children who deserve from this generation of leadership the same commitment to building a safer, more secure world that we inherited from the last generation.

Thank you very much. (Applause.)

MR. HAASS: Again, let me thank Senator Clinton.

What I'd like to do is abuse the prerogatives of the chair here and just try to get clarification on two issues or so, which were central to your talk, and then we'll open it up.

The first is on Iraq. You said, as I was listening, that we should not transfer sovereignty to the Iraqis until an appropriate time, and you argued, obviously, for internationalization, and you were worried about troop rotations. I was trying to deconstruct that. Were you saying, therefore, that we should delay beyond July 1 the program of transfer of sovereignty? And if so --

SEN. **CLINTON:** Well, I think that we should transfer leadership when we have maximized the conditions for stability and success. That may be in June or July, but it also could be undermined by our troop rotation, which will be disrupting a lot of the relationships on the ground that are essential for the trust and confidence to be present that must undermine such a transition.

I think everyone agrees that we should move as quickly as possible, it's just the devil is in the details about what is possible. I think we could buy ourselves some time, particularly because of this massive transition that we are going to be in the midst of, by creating some authority or organization with international participation and legitimacy that would help to oversee this transition. And it is also important that we bring in the neighbors in the region, who have a stake in the stability of Iraq, to support the move toward self-governance.

The idea behind the administration's proposal that was originally adopted by the Governing Council, which then seemed to have some second thoughts, was a kind of caucus system with mostly appointed people coming to some agreement on how to write a constitution and then create the conditions for elections. That has been, as you know, strongly criticized by at least Ayatollah Sistani. I think that we would have a greater chance of dealing with the legitimate objections of the Shi'a, which clearly go to one man, one vote, and move toward some kind of bridge, an international bridge, a creation of an organization or, as I suggested, an Iraqi reconstruction and development authority, something that would put a non-American face on these decisions.

You know, it is quite difficult to deal with Ayatollah Sistani since no American has met with him, that I'm aware of, and it's all through intermediaries. And I think that there are lots of issues that remain open and unanswered that I'm not sure Americans alone can successfully deal with. But I think in a broader, more expanded coalition, we would improve the chances that we could.

MR. HAASS: Why don't I open it up. George? I'm sorry, if we can have people wait for the microphone and just very quickly state their name and their organizations.

Q George Schwab, National Committee on American Foreign Policy. Thank you very much, Senator, for your in-depth remarks.

I had one question. You mentioned very briefly danger of weapons of mass destruction. My question is, do you have any thoughts on how we should proceed with North Korea?

SEN. **CLINTON:** I do. I actually have spent an enormous amount of time trying to educate myself on this issue because I do think it is the number-one issue that we confront. And just briefly let me put North Korea into some kind of context.

And let me also recognize former congressman Ben Gilman, who is here, who has been a stalwart voice for internationalism during his time in the Congress and is now at the United Nations. And I deeply respect him and am delighted to see him.

You know, the administration's approach to weapons of mass destruction, I believe, is ill-considered, the efforts to both reject and undermine nonproliferation treaties, the Comprehensive Test Ban Treaty and other international efforts, without anything replacing them. I mean, it's one thing to say we're not in favor of this set of agreements, but let's work together to try to create a new 21st century protocol that would more accurately reflect the dangers we face. The administration's lukewarm support of Nunn-Lugar, I think, is a very big mistake, and I hope we can remedy that, because it has proven effective in many instances. I think we can point to, you know, Ukraine, Belarus and other places.

I also think it's a mistake to undermine the International Atomic Energy Agency in the almost derisive way that sometimes comes from the administration. Instead, I think, again, we should be looking to support them where we can and looking to try to upgrade and change where we can't, and deal with one of the real loopholes in the, you know, regimes that they attempt to enforce, which is the continuing presence of spent-fuel rods in places that are dangerous to have them.

With respect to North Korea, I have a hard time figuring out what the administration policy is. On the one hand, we know that there is a group of what might be referred to as very hard-line, anti-North Korean officials who don't want any kind of bilateral talks and don't want any kind of United States agreement of any sort. And they point to the continuing flaunting of agreements going back to '94 with the Clinton administration and forward, that demonstrate to them there's no point in having an agreement with North Korea.

There are still some multilateralists who believe that we can get an agreement by having this process with China and Russia and others involved. And it kind of moves in fits and starts.

And there are those lonely few who think we ought to move quickly to reach some kind of agreement with North Korea because it's too dangerous not to.

I'm sort of in the last camp, I guess. You know, my view is that the 1994 agreement, insofar as we can track it, did have a positive effect with respect to spent fuel and plutonium. It was, clearly, breached in spirit because of their efforts on enriched uranium. I always believe it is better to try to figure out if there some agreement that can be reached that is enforceable, rather than letting a dangerous situation drift without any real understanding of where it's going to end up.

So, from my perspective, I've urged the administration that if they are intent upon multilateral talks, hold the multilateral talks, but don't be adverse to having some bilateral pathway going at the same time.

You know, North Korea can't do anything very well except create weapons. And they live in such a delusional state, the best we can determine, that the idea of being able to become a nuclear power, and then having yet another cash crop to sell to terrorists and others, is very attractive. And they also could well pick up the message that if Saddam Hussein had had nuclear capacity instead of intending to and threatening to, we might not have invaded him.

So, it is a very difficult situation for the administration to find itself in, but I think they have been unwilling to really set a course and stick with it, at least as I would hope that eventually we could because it's a very dangerous part of the world and we can't afford to have them be any more nuclear than they are right now, whatever that may be, since our intelligence is somewhat up in the air about it as well.

MR. HAASS: Yes, ma'am? Do you want to wait for a microphone? That would be helpful. It's right next to you.

Q Mia Bloom (sp), Rutgers University, the Office of Counterterrorism. There was an article, a week ago Sunday, about tactics surrounding Abu Hishma with barbed wire. And there's been a lot of cooperation between the Israelis and the Americans in urban counterterror tactics. Could you comment on that because there's a possibility of it going really wrong.

SEN. **CLINTON:** Well, I think that many of us were taken aback when we saw that article and we saw the barbed wire and the fence. I did hear one report in the last 24 hours that the military command in that region is going to consider using the capture of Saddam Hussein as a way to back down from that, and I hope that's the case. I think it is important.

It is very hard to build any fence that's going to keep a terrorist out. That is certainly the tragic lesson of Israel's efforts against terrorism over all these years. And what we have to figure out how to do -- and we succeeded with respect to the capture of Saddam Hussein -- is to convince enough Iraqis that their future lies with us and with the possibility of a free, stable, economically viable Iraqi state. And I hope that that's the tactic that we will pursue.

MR. HAASS: Yes, ma'am?

Q Felice Gaer, the -- (inaudible) -- Institute. Thank you, Senator, for your speech and for reminding us -- (brief audio break) -- also falls into that category. And with the constitutional loya jirga in Afghanistan right now meeting, I'm wondering if you could tell us whether you think, in terms of right things and smart things, whether the administration is adequately amplifying the voices of moderates and persons seeking freedom in that country.

Thank you.

SEN. **CLINTON:** You know, Felice, I don't have any basis for an opinion about that. I know it's a concern of a number of people, and there's even a coalition of delegates going to the loya jirga who are raising that concern.

Obviously, this is a tough situation to be in. And there is a potential clash between realpolitik and our highest ideals at work here, because somehow the loya jirga and President Karzai, along with us, have to thread this needle. On the one hand, we've got the warlords and their militias and their potential destabilizing impact. On the other, we know that if we just side with them or we create a situation, either de facto or de jure, where they are once again in control, we haven't really succeeded. So it's going to be a tough balancing act.

From my impression and my conversations with President Karzai, he's well aware of that, and he's got some very good people around him. So I know that they are trying to strike that right balance. We'll have to see how it comes out.

MR. HAASS: We're a bit over schedule. We'll try to take one or two more. Sir? We've got a microphone right here, to your left.

Q Gerry Hamilton. I'm the president of the American Council on Germany, and it is that professional connection which prompts me to ask you to delve back into one point which you made. You've said so many things today, Senator, that I could agree with wholeheartedly that I hate to pick on the one thing which I feel can't. But I have to ask the question: Do you feel that in the post-Cold War era, the presence of American forces in Germany has had anything to do with stability in that nation? And do you feel in fact that that was the case throughout most of the Cold War, or weren't those our own interests we were serving there? Thank you.

SEN. **CLINTON:** Well, I am by no means an expert on Germany. But I think our interests and German stability were coincidental for much of the last part of the 20th century. I believe that creating the conditions for a stable, peaceful Germany and particularly the integration of the East and the ongoing challenges that that poses was the highest priority for Germany and for us.

I remember very well conversations with Helmut Kohl, who was so grateful for the American presence and believed that without the continuing American presence and support for the forces of democracy and freedom and stability, the outcome might have been different.

Now who can look back and second-guess history? I'm -- I certainly can't. But I think it was in American interest and in German interest and in the eventual interests of our defeating Soviet communism that we retained troops in Germany.

Now I think we have to take a new look at, you know, where we deploy troops, where our bases are, what our interests are. But I certainly believe that it was an important and necessary step for us during those decades.

MR. HAASS: We have a rule of ending council meetings on time, and I'm going to violate it, give Ben Gilman -- I always found it hard to resist the former chairman. So --

SEN. **CLINTON:** (Chuckles.) Most people did.

MR. HAASS: (Chuckles.)

Q Thank you, Mr. Secretary, and congratulations on your presidency.

MR. HAASS: Thank you.

Q Senator Clinton, we welcome you, and we welcome your astute analysis of what's been happening.

Having met with the military commanders in Afghanistan and in Iraq, do you favor more U.S. troops? I know you've suggested NATO, which is a good, sound suggestion. But what about our U.S. troop involvement?

And secondly, what are your thoughts about the Middle East peace process? (Laughter.)

SEN. **CLINTON:** (Chuckles.) Well, let's --

MR. HAASS: All within a minute!

SEN. **CLINTON:** Yeah. Let's end on an easy question. (Laughter.)

With respect to troops, I still believe we need more troops, and we need a different mixture of troops. I would prefer that they be other than American troops, for all kinds of reasons.

We have this commitment by NATO in Afghanistan. I'm waiting for them to fulfill it. And I -- you know, I landed at Kabul. It's run by the German military. We know that they're already there, doing important work, like these provincial reconstruction teams. But we need more of a presence. We did not keep enough troops there, and we haven't gotten enough of our NATO friends to participate.

In Iraq, I know that the refrain constantly from the administration is, we don't need any more troops. I think that we clearly had enough troops to win the military victory, and everyone knew that it was inevitable. We did not enough troops to dominate the country after we secured the military victory.

And I cannot tell you how many people -- Iraqis -- mentioned to me the looting. It is still a huge overhang. "How could you come, get rid of Saddam, and then let everything be looted?" Well, part of it is because we were there in a kind of, you know, cognitive dissonant way, if you will. We were there to win a military victory, but not to be viewed as an occupier. And the administration didn't want to put in enough troops to do that, and they were reluctant to declare martial law. And they weren't really equipped with the right mix of

troops, the MPs and the Civil Affairs and the others, to be able to move in immediately with respect to a postwar situation.

So I still believe we could do with more troops. I'd like to see them be non-American troops. And I think there are some things we could do. And if we are able to convince our NATO allies to go into Iraq, you know, we could move American troops out of the Kurdish area, because that is a much more stable environment right now. We could put in NATO troops there. We could move British and American troops out of the South and put in different NATO troops there. And we could concentrate our troop strength in the central part of the country, around Baghdad.

But we also -- continually we're told we did not have enough intelligence, we did not have enough MPs, we did not have enough Civil Affairs and probably not enough engineers. So we've got to keep in mind not only numbers but troop mix.

And of course, then, you know, that this raises the issue that is now percolating in Washington: What should be the end strength of our Army and the rest of our military? I have supported Senators Hagel and Reed in their effort to just be honest about it and talk about expanding the numbers in our Army, particularly in light of the fact that many of the key components that we needed in both Iraq and Afghanistan were Reserve and Guard forces. And we are depleting them, and I worry greatly about the strains that we've put on these citizen soldiers.

So there's a lot to be looked at as we go forward with Secretary Rumsfeld's transformational strategy, but it's essential that we be honest about what it's going to require of us to be effective in these various theaters.

And you know, we can talk about that at greater length, but I think that's how I see it.

You know, really, this would take another hour, but it is imperative that the United States be actively involved and perceived as being actively involved in the Middle East. I think we lost some very valuable time and opportunity with the transition from the Clinton to the Bush administration. Obviously the roadmap is a possible vehicle for getting people together to try to talk about what the future holds. We have to continue to bear down on the Palestinians to deal with the terrorists and we've seen a respite from terrorism, which always suggests to me that it is controllable and it can be stopped and we therefore have to expect it to be stopped.

But we are in a very dangerous period right now, it seems, and I would hope that the administration really puts a lot of time and attention. You know, I know that there were many criticisms and questions about the Oslo process, but I do believe that having people engaged in a process -- particularly one that steadily cuts the number of terrorism incidents and diminishes the loss of life in Israel and among the Palestinians, as happened in the 1990s -- because there was a sense of engagement: the Israeli economy picked up; there were economic investments made in Jordan and elsewhere that I believe have helped to stabilize, especially in this rather volatile period with what's going on in Iraq, the relations not only with Israel and a country like Jordan, but with respect to American interests.

So it's a very important issue that we ignore at our peril, and we have to stand steadfastly for Israel's security, but how the best way we do that is increasingly -- (audio break) -- by some of the statements by leading Likud officials about the dangers posed to Israel without a two-state solution, you know. And I -- so there -- history and demography may not be on Israel's side, in the absence of some kind of agreement, sooner instead of later, that then is enforced by the United States and the international community and people are held responsible for their actions.

So that's a very brief, overly generalized response, but we have to protect Israel's interests and we have to do everything we can to end terrorism emanating from the territories there.

Thank you.

(Applause.)

END

U.S. SENATOR HILLARY RODHAM CLINTON (D-NY) HOLDS A NEWS TELECONFERENCE ON JOB TRAINING FUND CUTS, 1/5/2004

CLINTON: I wanted to react to the stories coming out about the proposed budget that the president will be presenting to Congress.

And the report in the New York Times yesterday about the '05 budget proposal suggests that there will be significant cuts in job training, in employment programs, housing assistance programs, even health care benefits for the nation's veterans.

And it's clear that none of these proposals, even if enacted, will do anything significantly to reduce the massive federal deficit that has been run up in the last three years, but they will do significant harm to many American families.

So today I have written to the president asking that he reconsider these ideas.

Specifically with respect to the proposed cuts for job training and employment programs, I fear that this will greatly undermine the chances of unemployed and long-term unemployed Americans to acquire the skills and find the opportunities for new jobs.

And it is especially troubling to me because, as many of you know, I've been trying to persuade the administration to extend temporary unemployment compensation, which expired the last week of December. And as the unemployment rate continues to have people exhausting their state benefits, we have an increasing number of discouraged workers who aren't even counted in the unemployment rate. And the administration has, so far, refused to do anything to help them.

At the same time, if they are contemplating cutting job training programs, it will be even more difficult for a lot of these people to get the new jobs, assuming that they are going to be available, which is still not clear to me.

So we have 4.9 million Americans working part-time right now and I think that proposals with respect to cutting these programs is very ill-advised and, combined with the unemployment numbers, would be a real blow to a lot of people.

CLINTON: And that's the same for the housing vouchers and for the veterans' health care benefits.

So I am urging that the president reconsider all of these moves and face the reality that we are in this deficit ditch because of the dramatic increase in expenditures on defense and homeland security -- which I and many of my colleagues have supported -- coupled with the tax policies that have given so many rather large and in my view unsustainable cuts to the wealthiest of us.

And I don't think that that is the kind of choice that Americans should face, to continue these tax cuts, many of which are going to kick in '05, at the expense of health care for veterans and job training for the unemployed and housing for the homeless.

So I feel very strongly about this. And I hope that before we see that budget, we can see some changes.

QUESTION: Senator, so do you think the president will make changes to the budget? Or are you just hoping to sort of put up a fight once the budget is received by Congress?

CLINTON: Well, I know from my experience in the White House that sometimes information is leaked out to see what sort of response it creates. And if that is the case, and this was a trial balloon, I want to try to help shoot it down.

If they go forward with these kinds of decisions, then I will join with my colleagues to try to derail them.

QUESTION: Do you agree with some of the Democratic presidential candidates that the strategy of the Bush administration is to in effect transfer wealth from the middle class to the more wealthy Americans?

CLINTON: What I believe is that we are undermining the capacity of the vast majority of Americans to have the standard of living available to them that I was blessed with and previous generations were provided with.

CLINTON: And I think we see that across the board, the long-term unemployment, the outsourcing of jobs, the lack of health care benefits, the undermining of retirement security, the administration's attitude towards issues like overtime and other ways that we've tried to support middle-income people, the very unfair way that their tax cuts impact on most Americans. I think that there is a growing awareness that the administration's agenda will leave the vast majority of Americans worse off than they were in 2001.

QUESTION: Upstate New York is starting to see the effects of some of these jobs that have been shipped overseas. And increasingly, we're hearing Hindu accents on our phone calls from telemarketers and service companies. How is this fitting in with that? And what ideas do you have for replacing some of those jobs?

CLINTON: Well, I think that's an absolutely critical question, because to cut job training when we see so many jobs being shipped overseas, sends a message to the American worker that we're not only going to ship your job out, we're not going to give you a chance to get new skills that will, you know, make you employable in the jobs that may be left.

That's just unacceptable. I have a number of ideas. I'll be making a speech in the near future, laying out what I think should be done on dealing with the outsourcing of jobs and trying to provide incentives within the tax code to keep jobs in America, to enforce trade rules so that we have a much fairer and more balanced approach to trade.

But I think you really hit on a critical point, that the administration is not doing anything to help keep these jobs and, in fact, they're going to make it more difficult for people to get jobs by undermining the employment training programs.

QUESTION: Senator Clinton, are you going to make another try at getting unemployment benefits extended once everybody returns at the end of the month?

CLINTON: Yes, I am. In fact, we've been working on that, trying to get some kind of agreement with the administration and the Republican leadership. I sent a letter to Senator Frist asking that this be the first item we take up when we return. I'm co-sponsoring several bills, including a bipartisan bill with Senator Smith of Oregon that would just provide a simple extension.

So I will certainly try to do what I successfully did last year in getting it extended when we get back into session.

QUESTION: Senator, do you feel now that maybe some of the past trade deals that have been passed need to be revisited and maybe have provisions for environmental standards and health standards and labor standards added to them?

CLINTON: I've always thought that. And I was pleased that at the end of the Clinton administration that was the direction in which we were heading. The Cambodian trade deal, the Jordanian trade deal all were big steps forward.

So I think that we need to continue to be a trading nation. I'm very much in favor of trade. And it has benefited New Yorkers tremendously over the years.

But we have to look at where we are realistically now and understand that all too often the rules that have been set up to govern trade are not enforced in a fair and effective manner when it comes to American interests. And we have a really important stake in trying to make sure that labor and environmental standards become global and are not just left in one part of the world to the exclusion of the rest of the world.

So I think that we need a rethinking of our trade policies, not to turn our back on trade, but to come up with a more effective 21st century trade policy. And I will be talking about that when I make some speeches in the next several months about what I think should be done.

QUESTION: In view of what you just said, Senator, do you feel that NAFTA and GATT should be revisited?

CLINTON: In view of what I just said, I think you should take that as what I said, which is that I think that we have to enforce the trade rules that are inherent in both NAFTA and GATT.

This administration has been very slow in filing any kind of trade claims in regard to any of our trading deals. I mean, they got a lot of publicity for the steel tariffs, but they've let a lot of other important issues go by the side and not tried to enforce trade rules.

I think on balance NAFTA has been good for New York and America, but I also think that there are a number of areas where we're not dealt with in an upfront way in dealing with our friend to the north, Canada, which seems to be able to come up with a number of rationales for keeping New York agricultural products out of Canada. And I think that needs to be given much greater emphasis than it has.

But this is a much bigger issue than to give you a short 30-word- or-less answer. And as I say, I will be addressing it in greater detail in the future.

QUESTION: On the Bush tax cuts, there doesn't appear to be a great public ground swell to reverse or stop these things. And I wonder, given that, how are we supposed to reduce the federal budget deficit without cutting domestic programs?

CLINTON: Well, you can't possibly reduce the deficit by cutting these programs. I mean, if you want to be serious about reducing the deficit, you've got to do both. You have to increase revenues and cut spending.

And if the administration wants to pretend that you can make veterans pay more money for their prescriptions and limit the number of people who get into housing or do away with employment programs and somehow that's going, you know, demonstrate fiscal responsibility when in fact it won't.

And I think that the nearest example is what happened in 1992.

CLINTON: You know, part of the reason that we were able to reduce and eventually eliminate the deficit that was inherited in 1992 was through eight years of fiscal discipline that included spending cuts and revenue increases. There isn't any simple way to do this.

We have a lot of unexpected expenses that I think the country believes we have to bear in national defense and homeland security. So if we're going to have to increase our expenditures in that manner, then we're going to have to figure out how we're going to deal with the deficit. And you can't do it by, you know, these rather minor adjustments that will actually hurt people, as opposed to having equal shared sacrifice.

I mean, you know, my biggest critique of this administration is that, you know, they're not thinking about the future. They're not making decisions today that will make us richer and safer and smarter and stronger in the future.

And in fact, on so many fronts, the decisions they're making are undermining the standard of living for, you know, average Americans. And I don't think that's what anybody wants.

And although there may not be, you know, a loud hue and cry, it's in part because, you know, people know that with this Republican president and Republican Congress, there's not going to be any chance for a responsible fiscal policy, which is why we need to have a vigorous election this year that really raises these issues.

Thank you.

END

U.S. SENATOR HILLARY RODHAM CLINTON (D-NY) HOLDS A NEWS TELECONFERENCE ON PROTECTING THE NATION AGAINST ELEC-TRICAL BLACKOUTS, 1/14/2004

CLINTON: Hi, everyone. This is Hillary Clinton. Thank you for being on the call.

I wanted to talk about an issue that I consider so important, particularly to New York, but not exclusively to our state. And that is the question of the electricity reliability standards.

Congress needs to act on reliability standards. And we need legislation to do that that would create mandatory, enforceable reliability standards as a necessary step to address the blackout we had five months ago and the continuing stresses on our electricity grid.

In November, the Electric System Working Group of the U.S.- Canadian task force on the blackout released its draft report on the causes. And among the report's finding was that the North American Electric Reliability Council's voluntary reliability standards were violated at least six times during the series of events that led to the cascading blackout.

In addition to that finding, the New York Independent System Operator released an interim report on the blackout just last week, January 8th, stating that, and I quote, "There is one conclusion that was unequivocally confirmed by the blackout: Reliability standards must be mandatory and they must be strictly enforced," unquote.

Now there are a lot of reasons why we need this legislation.

CLINTON: And I will be introducing legislation based on a bill that Congressman John Dingell has introduced, because I'm not persuaded that we will get the reliability standards that we need or that the energy bill, which I opposed which has lesser standards than I support, will even be passed because of the bipartisan opposition that it faces.

So the bill's main provision will direct the FERC -- the Federal Energy Regulatory Commission -- to establish by rule an electric reliability organization and to require all users, owners and operators of the bulk power system to comply with these reliability standards and to be penalized and to be ordered to comply if, for whatever reason, they fall into the pattern that we saw leading up to the last blackout.

In addition, this electric reliability organization would be looking to see what else needs to be done to ensure the adequacy of our power system in North America.

You know, when the report came out last week on January 8th from the New York Independent System Operator, it didn't get a lot of attention. And yet it fully underscores the need for doing something legislatively.

And I don't believe, as I said, the energy bill can overcome the strong opposition that it currently faces.

So, perhaps, we will persuade the Republican leadership to do a stand-alone reliability bill, which is something I called for on the very day that the blackout occurred. And that's what I want to be prepared to try to push when we return next Tuesday.

So I'll be glad to answer any of your questions.

QUESTION: How are you?

CLINTON: I'm good, thank you.

QUESTION: Just to make sure that I understand, have you already -- I guess you haven't introduced this legislation yet, but you'll be doing so next week, I take it?

CLINTON: Yes. I sent a letter today to the majority leader, Bill Frist, and in it I discussed all the reasons why we should have a stand-alone reliability bill. And I will be introducing a bill as soon as we return next week.

QUESTION: Is it basically a carbon copy of Representative Dingell's bill? Or does it have differences?

CLINTON: It's very close. It's very close to Congressman Dingell's.

QUESTION: Thank you.

CLINTON: But there has been no introduction in the Senate. And given the reports I just referenced, it's obvious we need to do it.

QUESTION: What is an appropriate penalty for somebody who doesn't comply? Obviously, it would have to be big enough that there would be some bite to it for not complying and triggering such an incident.

CLINTON: I agree. Obviously, we're going to have to have significant enough penalties in order to get the attention of the operators.

When you have a pattern, as we saw leading up to the cascading blackout last summer, and nobody has any (OFF-MIKE) that can be effectively used, we have to have some penalty. And we have to have the ability for the federal government, which must oversee this interstate system, in fact, international system, to be able to act before disaster strikes, not wait until something occurs.

And so I will provide for that authority with respect to a threatened violation, if we know that we can stop it.

QUESTION: Are we talking fines or civil penalties? Is there a mechanism for that that you've got in mind?

CLINTON: Yes. Civil penalties, which would include fines -- compelled action by the FERC in the case of persistent, continuing violations.

QUESTION: I'm admitting on this conference call that I don't know what a reliability thing does.

QUESTION: What does it do? What does it mean?

CLINTON: Well, you know, part of what I'm trying to accomplish here is to put into place an enforcement mechanism that would have the ability to review the existing programs, the other kind of actions that operators are supposed to be taking on a regular basis, something as simple as...

QUESTION: These are state or local utilities that are supposed to maintain some standard or something?

CLINTON: Exactly. But for example, one of the problems that came to light with the August blackout was the fact that you're supposed to, on a regular basis, trim the trees that are impacting your wires. Now that seems so obvious. But apparently, it had not been done on the regular schedule that was expected.

And I don't know that it's been found to be the cause, but it certainly can be a contributing factor -- all the way up to having, you know, problems in the number of personnel that you need to be in your command center, to make sure your computers are as virus-proof as they can be made.

There are just many different elements...

QUESTION: Wasn't this a whole new area of federal law? I mean, wasn't this left to the states at one time and the states got overwhelmed when they had deregulation and they, sort of, let the whole system of regulation fall apart?

CLINTON: Well, I think that that, to some extent, is a fair comment. You know, we use to have a regulated utility industry. And it was primarily done by the public service institutions and agencies. And there's been this big move for deregulation and, unfortunately, there hasn't been anything really put in place.

And you know, after the big blackout, years and years ago, there was some movement toward taking care of the problem. I think that something called the North American Electric Reliability Council was created after the 1960s blackout.

CLINTON: And what it did was to develop and implement reliability standards on a voluntary basis.

So the industry has already, in effect, agreed that there need to be reliability standards. But because they're totally voluntary, there's no mandatory standard, there's no penalty attached, people have ignored them -- not everybody, but unfortunately some have and we've seen the consequences of that.

So I thank you for tuning in on this. And you might want to take a look at the January 8th report from the New York system operator. It's clear that we need to do this.

Voluntary standards are not sufficient, and we need mandatory standards. I've argued for that. A lot of people agree with me. John Dingell led the way in the House, and I'm going to be introducing companion legislation in the Senate.

Thank you all very much.

END

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON IRAQI WEAPONS OF MASS DESTRUCTION AND RELATED PROGRAMS, 1/28/2004

CLINTON: Thank you very much, Mr. Chairman.

And Dr. Kay, I join with my colleagues in thanking you for your public service. And it's with great admiration that I have followed your service over a number of years, and I thank you greatly.

I just wanted to clarify a few other comments that have been reported in the press just to get the record clear in my own mind. There were some references to your decision to leave the effort due to the failure to have the full complement of analysts, translators, interrogators and others to work with you.

And I know that that was a concern that had been expressed to this committee and others because of the movement of people out of the group into counterinsurgency efforts.

CLINTON: Was that a factor in either impacting the quality and substance of the search or your decision to step down?

KAY: Senator Clinton, there were two factors that led me to decide it was the appropriate time to return to private life. When I agreed to take on this job, I had only two conditions. As you know well, when you negotiate with the federal government, salary is not one of the things you can negotiate back.

I said there were two things that were important to me. One is that the instrument we were going to use, the Iraqi Survey Group, be totally focused on elimination of WMD as long as we carried out that mission.

That was based on two facts.

One, my experience with the federal government is that when you have multiple masters and multiple tasks, you get the typical interagency mush and you don't get directive action, and I didn't think we had the time to do that.

The second was -- and I told George Tenet directly this -- by undertaking this task from the president of investigating and trying to determine reality compared to your estimates, you are going to run a moral hazard -- the moral hazard of self investigation. And that the only way I was willing to be a party to that is that I had the independence to choose the instrument that was going to be doing it and I had the resources that were necessary to do it. And that was agreed.

By September, I was in the process of running battles both with the DOD and with the intelligence community that wanted to redirect resources and the activities of the ISG to the looming political insecurity crisis that was Baghdad.

I perfectly understood the difficulty we were having. I lived there. I knew how hazardous it was. I just thought the ISG and those resources were inappropriate for it.

By November, I had lost that battle. The decision had been made to give ISG parallel priorities in addition to WMD, and resources were being halved off. And at that point, I did what I had said in June when I took the job: I'm simply not prepared to run that moral hazard for myself or for someone else under those conditions.

KAY: No big surprise and no anger on my part. You know, it was clear going on, it's actually in writing, on those two points when the administration felt that it couldn't live up to that any longer because of the security situation, which I fully understood. I thought it best to let someone else who I have great respect for and has capabilities -- I think he can do it -- take on the job.

CLINTON: Well, Dr. Kay, I appreciate your explanation.

But it raises two additional questions, at least in my mind, that -- we have addressed one before and that is whether we had enough resources on the ground to begin with. Making this Hobson's choice as to whether to continue with the full complement of resources and personnel you required and were agreed to be given to you to pursue this important task or having to divert because we didn't have enough resources on the ground to do the other job

illustrates clearly the confusion at the very center of this whole enterprise post-military action.

But it raises an additional concern to me, which is that this wasn't a priority. You know, if you have a real priority, you figure out how to meet that priority.

And I think that the administration's decision to divert resources and personnel speaks volumes about what they really thought was at stake. I think by, certainly, November, if not by September, the fact that so much of the documentary evidence had been destroyed in the looting; the preliminary reports that you provided the Congress -- the administration prestaged what has become the final conclusion you've reached -- that we were not going to find such evidence of weapons of mass destruction, certainly raises for me serious questions about the real intention of the administration to begin with.

Secondly, I'm very interested in what you have concluded about the Iraqi decisions to abandon production of WMD because of the U.N. inspection process, that during the 1990s, in fact, the international community's effort to discover and destroy Saddam's weapons was working. Is that a fair statement of your findings?

KAY: It's compressed, but fair. And I must say, I had, as you know, because you were there, I had a number of former U.N. inspectors working for me. We often sat around and said that, you know, it turned out we were better than we thought we were in terms of the Iraqis feared that we had capabilities and although they took tremendous steps to try to compromise us and to lie, in fact, the U.N. inspection process achieved quite a bit.

CLINTON: And of course, my time has expired, but I think that rightly does raise questions that we should be examining about whether or not the U.N. inspection process pursuant to 1441 might not also have worked without the loss of life that we have confronted both among our own young men and women, as well as Iraqis.

KAY: Well, Senator Clinton, let me just add to that.

We have had a number of Iraqis who have come forward and said, "We did not tell the U.N. about what we were hiding, nor would we have told the U.N. because we would run the risk of our own" -- I think we have learned things that no U.N. inspector would have ever learned given the terror regime of Saddam and the tremendous personal consequences that scientists had to run by speaking the truth.

That's not to say, and it's not incompatible with the fact that inspections accomplish a great deal in holding a program down. And that's where the surprise is.

In holding the program down, in keeping it from break out, I think the record is better than we would have anticipated. I don't think the record is necessarily better than we thought with regard to getting the final truth, because of the power of the terrorist state that Saddam Hussein had.

CLINTON: Thank you.

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS
HEARING ON THE FY 2005 DEPARTMENT OF DEFENSE
BUDGET, 2/4/2004**

CLINTON: Thank you, Mr. Chairman.

Mr. Secretary, when Senator Reed and I were in Afghanistan over Thanksgiving, we learned that NATO had not yet met its obligations or its commitment to provide additional troops for the provisional reconstruction teams and other purposes. So far as I am aware, they still have not done so. Could you please advise us as to what, if any, progress is being made to persuade NATO countries to contribute additional troops as they had obligated to do so?

WARNER: I know that Lord Robertson, before he left at the end of December, had worked very hard on it. And the U.S. had been involved in assisting and the new secretary general has been working on it as well.

The last time I looked, there were still -- out of the totality of the requirements, there were a few pieces that had not been filled.

And I suspect that what's happening is that the United States, which has been -- under a memorandum of understanding, first with ISAF and now with NATO ISAF, has worked together with them to fill in gaps, as they occur from time to time.

But to my knowledge, they have not fully completed everything, although they must be in the high 90 percent.

Do you know?

ZAKHEIM: Well, there is that and also with respect to the provincial reconstruction teams that you mentioned, the British are, in fact, in Mazar-e-Sharif. The Germans have one up and running as well.

One of the issues has been where they go. We have eight of those now up and running and the idea is to have new ones stood up. We are talking, to my knowledge, to at least five different NATO countries right now that have given preliminary indications that they do want to go in and set up PRTs. And the question is how do you do that in an organized fashion.

CLINTON: And you'll keep this committee informed as it goes forward?

RUMSFELD: Absolutely, Senator.

CLINTON: And is Turkey one of those five countries?

RUMSFELD: They are one of them, but there are several others, as I say.

CLINTON: With respect to the budget, it's my understanding that at least during the Vietnam War, the cost of the war were in the budget. Supplementals were used for additional costs.

CLINTON: In September of this past year, I asked Ambassador Bremer, when he appeared before our committee, whether the administration would request an additional supplemental for Iraq and Afghanistan.

He replied, and I quote, "If there is any further need, I would anticipate any further requests will be done through the normal appropriations process. In other words, it will come forward as part of the regular appropriations process -- the 2005 budget --- presumably early next year."

With respect to the comments that the Congress instructed.

RUMSFELD: Excuse me. Were you referring to Iraq or Afghanistan in that last comment?

CLINTON: Iraq and Afghanistan.

RUMSFELD: Both.

CLINTON: Both.

With respect to the comments that you have made, Mr. Secretary, that Congress essentially told you not to do it a certain way, would you provide this committee with the names of those members of Congress or the staff and with whom they communicated that demand in the secretary's office at some very early date, please?

RUMSFELD: Well, it was the Congress overall. They just simply took it all out.

CLINTON: Well, Mr. Secretary...

RUMSFELD: They said -- they zeroed out the \$10 billion we'd requested.

CLINTON: But, Mr. Secretary, that was for a discretionary pool of \$10 billion to be used as, presumably, you saw fit. We're talking about a budget that connects costs to missions and functions.

And as late as September of '03, Ambassador Bremer, who I believe reports to you, assured this committee that there would be requests done through the normal appropriations process.

Now, if there is someone in the Congress -- not just the Congress as a large undifferentiated mass -- that is saying, "Don't do that," we'd like to know it. But I think what the response from Congress was we're not about to give you a blank check of \$10 billion to be used with no oversight.

So I think we need to clarify that, because it goes right to the heart of the authority of this body and the kind of oversight that we're expected to provide.

And, indeed, it raises some questions, because at least the press reports that there will be a supplemental after the election, which seems to me to be inappropriate and I would hope that we could get to a meeting of the minds as to exactly what's expected from the budget to these ongoing expenses in both Iraq and Afghanistan.

RUMSFELD: Senator Clinton, I'm told that you're right, that there had been some portions of wars that have been funded through the normal process. It appears that in '67 to '70 in the Vietnam War they included some estimates. After '70, I'm told, they stopped putting cost estimates in because they didn't prove to be very accurate and thereafter the Vietnam War was not, nor have, I believe, subsequent wars.

Second, I suppose you could say \$10 billion -- it wouldn't be fair to say what you said, "\$10 billion to be spent anyway you want, without any oversight." No department of government does that. They always report. They always say what they're doing. They have to get it cleared if it's major changes at all from eight different committees. So there's plenty of oversight.

The answer to your question about what Bremer said I think is also correct. And that is that if you take the supplemental, a portion of it was for the Coalition Provisional Authority -- \$18.6 billion, as I recall -- and he said, and I believe Mitch Daniels and later Josh Bolten said, that that was for that period and that funds for that purpose, non-military purposes, the \$18.6 billion, would, in fact, be put into normal appropriation process. And that's what's planned to be done.

CLINTON: Planned to be done. It's not in the '05 budget?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON THE FY 2005 DEPARTMENT OF DEFENSE BUDGET REQUEST, 2/10/2004

CLINTON: Thank you, Mr. Chairman.

And thanks to all of you for the work you do every day and for, once again, coming to appear before this committee.

I am equally concerned, along with Senators Chambliss and Allard, on the investigation, General Schoomaker, into the allegations of sexual assault and misconduct. And will you be sharing the results of the investigation with this committee at some future date?

SCHOOMAKER: Senator, be glad to. What we're doing is taking a look at our internal processes and making sure that they're being complied with and find out if there are things that we have to tailor.

But we'll be glad to share that.

CLINTON: I would appreciate that. Does the internal processes review also include looking at the individual cases that have come to the attention of the press? Obviously that concerns us as well.

SCHOOMAKER: Yes, ma'am.

CLINTON: Thank you, General.

General, also, with respect to the news that yesterday the Army Corps of Engineers admitted that it had falsely stated that the Air Force and the Small Business Administration were involved in the awarding of the contract to Halliburton for the rebuilding of Iraq's oil industry, will you direct the corps to provide to this committee information on how it did decide to award that contract to Halliburton?

SCHOOMAKER: Would I do what, ma'am?

CLINTON: Direct the corps to provide information.

SCHOOMAKER: I'll ask them to do that.

CLINTON: Thank you, General.

General, I am deeply impressed by the work that the Army is doing under the rubric of transformation. And the report that you have provided us in this posture review is very reassuring and persuasive, as you make these significant changes.

But I'm also concerned about some very old problems. And the recent unclassified study by the Army's Combined Arms Center at Fort Leavenworth, a 504-page internal Army history of the Iraqi war, pointed out considerable problems in logistics.

And in reading the press reports of this report, I was struck by all of the old-fashioned problems we have: people couldn't communicate; they always were outracing their supply lines; they didn't have the information as well as the resources that they thought; the fact that the strategy of starting the war before all support troops were in place in order to achieve an element of surprise taxed the resources of local commanders. H

How are you addressing that issue? And is that an issue that is reflected in this budget? Or are there additional resources and changes that need to be taken into account?

SCHOOMAKER: Those issues are reflected in the budget. The logistician for the combined force, land component commander, General Christenson, is the G-4 of the Army. So he had the problem. I mean, he suffered the problem on that end. He's now part of the solution, and we're aggressively looking at this.

You're exactly right, we have not made the best use of our information technologies, we have not done things that we can do to fix this.

But in all fairness, I also have to say that the distances and the speed at which all this occurred seriously exposed these issues. These are far greater than the distances that were anticipated doctrinally.

And I've heard it said that the distance from Kuwait to Mosul, up where the 101st was, is like going from Omaha Beach to Berlin. That's a pretty good distance. And it's a lot further than Patton tried to do in his Red Ball Express.

So I think this is a serious issue. Because it has everything to do with our strategic and operational-level agility -- our ability to do the logistics.

Plus, there's a lot of money tied up in this.

Believe me, we're going to school on this piece.

CLINTON: Well, General, I know that many of us on this committee want to be very helpful to you in confronting this set of challenges. And it does strike me that there is an opportunity here to think a little bit outside the box.

I mean, some of the supply of fuel and energy problems that you ran into, I have long thought that we ought to be pushing much harder on alternative energy, clean energy, because I think that, you know, we use fuel cells, for example, to lift off our space shuttles, but we're not yet figuring out how to use them in our military on a day- to-day basis.

So there are I think some opportunities not just in the immediate arena about how do we solve this problem the best we can right now, but thinking outside the horizon, what could we be working on at this moment that would help us?

CLINTON: And we would appreciate any suggestions or ideas that you or any of the other services have that would enable us to help on this.

Because I was particularly struck in the report about the failure of communication, which was so reminiscent about what happened in New York on 9/11, police not being able to talk to firefighters, people in one part of the building not being able to communicate with someone in another part. And then to read that again the radios were out of range, people were improvising with cell phones. We just have to get a better grip on what we need to do with technology.

And, you know, just as for years DARPA and the space program were the source of new technology that had tremendous affects, both for the military and civilian side, we need to be making some of those investments today as well.

SCHOOMAKER: I don't disagree with you.

CLINTON: The final point I would make, General -- and this really is for all the services, but because the Army is so much on the point here -- I appreciated what you said about train, alert, deploy. And I continue to be concerned about the medical and dental readiness of our Guard and Reserve.

And I asked this question for all of our service chiefs at last year's posture hearing, but since then a GAO study, released in 2003, found that the Army had not been able to consistently carry out the statutory requirements for monitoring the health and dental status, with the result that many reservists called up frankly couldn't be deployed because of health and particularly dental problems.

So I would like to get some additional information about what we're doing to try to deal with that.

And of course, the fact that we don't have universal health insurance and so Guard and Reserves are on the civilian economy and they don't necessarily have the health care that they need is an issue far beyond this hearing, but whatever the Army is doing or the other services to try to make sure that we have the health status as good as possible, I'd appreciate knowing about.

"Inside Politics," CNN, 2/13/2004

Last night, I sat down and talked about this with senators **Hillary Rodham Clinton** and Kay Bailey Hutchison. And I started by asking Senator Clinton why she thinks it is so important for "Osama" to reach as wide an audience as possible.

(BEGIN VIDEOTAPE)

CLINTON: This is a tremendous movie. I'm looking forward to seeing it. I've heard so much about it. Because it tells the story in very down-to-earth terms about what women and girls went through under the Taliban regime.

And it's something that is hard for American girls and women to really understand, that you would be so discriminated against and treated so badly, you couldn't even go out and help support your family unless you disguised yourself as a boy. And I think it's a good reminder that, you know, when we destroyed the Taliban regime in Afghanistan, we created freedom and opportunity for countless young women.

WOODRUFF: Senator Hutchison, you've been to Afghanistan, as has Senator Clinton. Is this movie -- and I realize both of you are planning to see the movie -- but is this -- is this movie telling a story that reflects the real-world experience of young women in Afghanistan?

SEN. KAY BAILEY HUTCHISON (R), TEXAS: Oh, yes. And we heard so many stories that were look this, where a little boy would die because the mother couldn't take him to the doctor because she was unescorted. So it does tell a story.

The wonderful thing is that this movie has been made in Afghanistan, and that it's now winning Golden Globe awards. And so that is the great news. But it also is the reminder that we must see this through, that the Taliban left a scar on that country, and we are trying to heal it.

WOODRUFF: I do want to ask you all about the broader situation in Iraq, as well. Afghanistan, some progress being made. Still a long way to go. In Iraq, here we are, it's February, the turnover, the U.S. to cede control just four months from now in June.

Senator Hutchison, how confident are you, given the bloodshed we're still seeing there, practically on a daily basis, that Iraq is a country that's going to be able to come together peacefully and to be stable just in a few months?

HUTCHISON: Well, we are all troubled every time we see one of these horrendous bombings or a mine set. But I do think we are making progress. It is much slower than we had hoped it would be, but the people of Iraq are hoping to be able to put together a government.

But it doesn't mean we're going to leave them in the lurch. It doesn't mean that we're going to not provide that security. We must stay there to do that, and I think we are planning to

do that. But it is -- it's going to be difficult, there is no question about it. And when you see how unsettled it is, you look at that June 30 date and you think, what more can we do?

WOODRUFF: Senator Clinton, how much do you worry about that?

CLINTON: I worry about it a lot. And I think that we've got to come up with a plan that is not just a transition to sovereignty for Iraq, but which tries, before that even happens, to put into place some of the guarantees about what any new government will look like, and how the rights of people, particularly women, will be protected. I was very disturbed to learn that the Governing Council had adopted a law that they intended to turn all matters of family life, which includes women's rights, over to religious courts.

WOODRUFF: I want to ask you another question about Iraq, Senator Hutchison. And that is, with the new information coming out from David Kay, the chief weapons inspector, that there really is no hard information that there were weapons of mass destruction in Iraq before the war. You voted with the president, as did Senator Clinton. If you had known then what you know now, would you have cast your vote the same way?

HUTCHISON: Well, I am disappointed, there is no question about it. I am very concerned about the doctrine of preemption. And I am concerned when we don't have good intelligence information.

I think the president is doing exactly the right thing in now appointing a commission that has Democrats and Republicans to look into this intelligence. How could we have failed? If, in fact, there aren't weapons of mass destruction, how could our intelligence have been so uniform in saying, yes, they had them?

Now, you bet (ph) evidence was there. The fact that Saddam Hussein was helping to pay people who were doing suicide bombings, and in the Palestinian Authority, did make him a threat. But we have to make sure that we -- if we're going to go forward in this way, that we do have good intelligence so that we don't make a mistake.

WOODRUFF: Senator Clinton, the same question. Would you have cast your vote the same?

CLINTON: You know, Judy, I regret the way that the authority that I voted for was used. Based on what was made available to us publicly, in classified briefings, I certainly had every reason to believe that there were weapons of mass destruction. And that given Saddam Hussein's track record of what I would consider aggressive, belligerent irrational behavior, you could never discount him as a threat.

But I do wish that the president had permitted the U.N. inspections to continue longer than he did, because maybe we would have found that out. And maybe then we would have adopted a different strategy.

Now we've got a responsibility no matter how we got there, and we have to see it through. And we have to do the best job we can. We need still more international support. I'm hoping that the United Nations comes up with a plan for elections and a transition to a government that will be viewed as legitimate.

WOODRUFF: All right. Two very quick last questions to both of you back in this country about the presidential campaign. On the Democratic side, we're moving very quickly toward a nominee. It looks, perhaps, on the side of the president, Senator Hutchison, a flurry of questions this week and last week about the president's service in the National Guard. The White House putting out all of these documents.

Is this relevant? Is this a story that we're going to have answers to? Because some are saying, with all these documents, there's still unanswered questions about the president's service.

HUTCHISON: I don't think the people of America are going to make the choice for president of the United States based on something like that. I think they are going to determine their

vote based on his leadership in this war on terrorism, how he has handled the aftermath of 9/11, and the economy.

WOODRUFF: All right. And last question for you. Do you -- with regard to John Kerry, Senator Clinton, are you with those who say we need to get -- Democrats need to wrap this up and come together, supporting Senator Kerry? Or what about what your husband said, who said it's a good idea for John Edwards to stay in the race because I think he said you never know what happens toward the end?

CLINTON: I'm not going to have any political punditry comment to add to the mix that's out there. I'm just going to wait until we have a nominee, and then I'll do everything I can to support that person.

WOODRUFF: So no...

CLINTON: I'm just going to wait. Right now, I'm concerned about Afghani and Iraqi women. And looking forward to seeing this movie.

(END VIDEOTAPE)

PRESS CONFERENCE RE: INTRODUCTION OF LEGISLATION TO EX-EMPT CERTAIN STATES FROM MEDICARE PRIVATIZATION, 2/25/2004

PARTICIPANTS: SENATE MAJORITY LEADER TOM DASCHLE (D-SD); SENATOR DEBBIE STABENOW (D-MI); SENATOR JEFF BINGAMAN (D-NM); SENATOR BARBARA BOXER (D-CA); AND SENATOR HILLARY RODHAM CLINTON (D-NY)

LOCATION: SENATE RADIO/TV GALLERY, THE CAPITOL, WASHINGTON, D.C.

SEN. **CLINTON:** Well, I join with all of my colleagues who understand what's really at stake with this. And what we're saying today is really rather simple. America's senior citizens are not and should not be treated as human guinea pigs. You know, our seniors have worked their whole lives providing for their families, building their businesses, contributing to their communities, serving their country. And just when they need help, just when they are looking for some security, we're about to pull the rug out from under them with this ill-conceived, and in my view ill-advised, proposal.

Now in New York, there are two areas, Buffalo and Rochester, that are immediately eligible for the so-called premium support experiment that is expected to start in 2010. But even more areas are well within striking distance.

By 2010, given the large additional subsidies that are provided to private plans under this bill, 10 million senior citizens and people with disabilities, one in every four Medicare beneficiaries could easily be forced into this privatization program. In New York that goes far beyond seniors in Buffalo and Rochester. It goes to Albany and Glen Falls and in New York City.

Now, what will it mean to be forced into this experiment? Well, the bottom line is that anyone wanting to stay part of the traditional Medicare program will be forced to pay a big surcharge for that privilege and right. Now, by virtue of geography alone, health care costs

will take a significant jump. This provision will especially harm the sicker, more chronically diseased beneficiaries, those whom private plans consider bad risks and those who, frankly, look to us in the public sector to protect them.

Now, if you think these numbers affected are small, think again, because in Buffalo, 33 percent of Medicare beneficiaries report fair or poor health; in Rochester, 34 percent. Now, these seniors should not be penalized by an additional discriminatory surcharge just to keep their traditional Medicare.

So I join my colleagues in filing legislation. We'll be filing in the Senate, and one of our New York congresswomen, Louise Slaughter, will be filing in the House, to prevent the administration from choosing New York for this experiment.

Now you know, the proponents of this bill in the administration and the Congress, if they believe their own rhetoric that privatization will benefit seniors, then they should apply it to their own states. During the debate, I said that this should not go to any state that George Bush did not carry and that all of the members of Congress did not want it. I think that's a fair trade. You know, for those of us who see it as a wolf in sheep's clothing, a Trojan horse, whatever metaphor we want to use, we don't want them experimenting on our seniors. If they want to experiment on their seniors, fine, then let them do it, but leave our seniors alone.

And as far as we can see, we think, based on what Senator Bingaman just said, this is not unprecedented. States have tried to opt out of such experiments before. And I'm hoping that we will be successful in doing so again.

And indeed, this whole bill that was passed, if it's such a good idea, why doesn't it kick in before the election? If these privatization experiments are such a wonderful gift to our seniors, why don't they put them into effect before the election? You know, let people have a vote on whether this is the direction they want their country to go in providing Medicare and prescription drug benefits to our seniors.

So we're going to do everything we can to fight this ill-advised provision and make sure that our seniors don't have to be the ones who suffer from this privatization effort to undermine Medicare.

SEN. DASCHLE: Any questions?

Q A quick one. One of the reasons it appears that seniors are signing up for these PPOs now, and one of the reasons that CBO and CMS predict they will sign up in the future is because they're paid more than Medicare -- (inaudible). I guess the question is, is that advantage still around -- if they still receive that advantage in the future, is there the risk of seeing premiums under traditional Medicare increase --

SEN. DASCHLE: Absolutely. I think that virtually every analyst who has looked at the impact of what is now prescribed in the bill virtually guarantees that we will see significant increases in traditional Medicare premiums and costs for seniors. No doubt about it.

So this is coercive and very, very prohibitive cost-wise.

SEN. STABENOW: I might just add one number, and that is that the Congressional Budget Office said under the current Medicare Plus Choice plan, where seniors right now, as has been said, can choose an HMO if they wish, but under that plan, those who are going into HMOs now are seeing the cost, the cost to provide them care, 13.2 percent higher than traditional Medicare. So when this was said, "This will save money, we need to do it to save Medicare, to protect Medicare for the future," that's exactly the opposite. It costs more to provide service through an HMO, and we see that because they are subsidizing HMOs and giving them more money than traditional Medicare.

Q Senator Daschle, this is a little off topic, sir. But you're running for reelection in a state where many constituents support gun rights. Does that factor into your decision to support the gun liability bill?

SEN. DASCHLE: Well it does whether I'm running for reelection or not. Obviously, these bills are issues that represent issues, of course, that are important to various constituencies within any one of our states. And this is an issue that is very important to South Dakotans. And we hope that we can find a good balanced bill as it moves forward.

Q Senator Daschle, why was the administration's estimate of the cost of this Medicare as off as it was?

SEN. DASCHLE: Well because I think they rushed to judgment without adequate time to very carefully consider a lot of what was thrown together almost in the waning hours of the debate. First of all, they didn't include all of us, so we didn't have a vigorous debate within the conference. Secondly, they tried to get it done prior to the time we had the recess, and because they did, they weren't able to get the kind of analytical support that oftentimes comes with decisions of this magnitude.

So because there really wasn't the kind of give and take, and because they didn't include many of us or the people that could give them the best analytical information, they made some judgments that we now know were all wrong.

SEN. BOXER: Could I just add, I think it's part of the pattern here. I mean, we were told the deficit number would be smaller. We were told job creation would begin. We were told all these things about WMD. I mean, you could go down the line here. And this is just one example added to so many others of a lot of us being misled. And so I'm not quite as charitable as my leader on this point.

SEN. **CLINTON**: Well, I would add -- in the uncharitable vein -- (laughter) -- that I think it's becoming clear that they had the numbers and concealed them. They may have shared them with a very few members of Congress, as Senator Daschle said, the very few who were inside the room, but some of them claim they didn't. And I think a recent news report suggested that they had the numbers and had no intention of revealing them until after the vote.

SEN. DASCHLE: Let me add one more uncharitable comment. (Laughter.) And that is that this is nothing compared to the mistakes they made with regard to projections of the deficit. I mean, the deficit was projected -- I think it was something like \$14 billion for this fiscal year. Amazing how off they were. And it may have been in part because they've concealed information. But without a question, this is something that's consistent, a pattern consistent with this administration on virtually all fiscal projections today.

Q One quick follow-up, Senator Daschle. As you know, had some of your Democratic colleagues not supported this measure, it would not have seen the light of day. Have you heard any of them express -- (inaudible)?

SEN. DASCHLE: Oh, absolutely. Senator Dorgan is filing a bill today to allow for reimportation. He's going to Rule 14 a bill to the floor to force the Senate to vote on reimportation. I think if you talk to most of our colleagues, they voted for the bill with great reservation but ultimately voted for it with the recognition that many of these issues had to be addressed. And they join us, I think, in virtually every one of the concerns we've raised so far.

Q Senator Daschle, Senator Dorgan and Senator McCain are talking about putting a hold on the nomination of Mark McClellan for CMS. Will you be backing that effort to block that nomination?

SEN. DASCHLE: Well, I think that they're right in exercising their prerogatives as senators concerned about the issue of reimportation. The biggest reason, I'm told, for their concern

for this nomination is because he has so vigorously opposed something that is overwhelming supported by the American people and by seniors in particular, and that is the opportunity to access quality drugs at lower cost from other countries, especially Canada. So I think they're right in doing so, and I hope they continue to persist, in the hope that this administration will get the message.

Q Senator Clinton and Senator Boxer, back on the matter before the Senate. A lot of your colleagues voted for cloture on the gun bill. Did they make a mistake? Is that a mistake, for Democrats to vote that way?

SEN. BOXER: Well, we don't have a party stand on this particular cloture vote, and people are voting their constituencies on it. And I never tell my colleagues they're making a mistake. I just speak out for my position, which is I personally find it outrageous that with all the issues facing this great country of ours, with all the issues, including the fact that we are still losing jobs and outsourcing of jobs and deficits as far as the eye can see, and the rollback of 350 environmental laws -- and I could go on -- that this is what the Republican leaders are choosing to go forward on.

And I just want you to know that every year a hundred children die of accidental gun shootings and four times as many get wounded in our country. And I don't see that this bill's going to do a thing to help stop the violence.

But this is an individual call. I'm very respectful of my colleagues. And the Democratic Party is a very big umbrella. It is a very big umbrella, and that's why I think we are the party of the vast majority of the people.

Q Senator Clinton, do you think it's a mistake?

SEN. **CLINTON**: I couldn't say it any better than my colleague has.

Q Could you please go to the podium, ma'am?

SEN. **CLINTON**: I couldn't add anything more than what my colleague has said.

SEN. DASCHLE: Thanks, everybody.

END

"Lou Dobbs Tonight," CNN, 3/3/2004

DOBBS: The shipment of American jobs to cheap foreign labor markets and its impact on American life, its quality of life, is, of course, a key focus of this broadcast.

My next guest, Senator **Hillary Rodham Clinton**, today announced a number of proposals to prevent what we call here the exporting of America. Senator Clinton wants tax credits for corporations, for businesses that create and keep jobs in this country. The senator also wants to create a manufacturing research agency to advance factory innovation.

(BEGIN VIDEO CLIP)

SEN. HILLARY **CLINTON** (D), NEW YORK: We have the tools that we need. All we lack is the will. And, once again, we can not only make the American dream strong, but restore the strength to the words "made in America," put the American team back on the field, demonstrate that we can outcompete anybody and that we are open for business for the 21st century.

(END VIDEO CLIP)

DOBBS: Senator Clinton joins us now from our studios in Washington, D.C.

Senator, good to have you with us.

CLINTON: It's great to be with you, Lou.

DOBBS: Senator, on this proposal of yours to provide tax incentives to corporations, the cost would likely be sizable. How are we going to pay for it will be the first question critics would put before you. So let me lead with that.

CLINTON: Well, Lou, I think we have to play both offense and defense.

We do have to provide some carrots, some incentives in order to persuade some of our corporate leadership to think twice about exporting jobs. But we also know that we have a lot of loopholes that should have been closed years ago that truly do provide the kind of incentive to go offshore, to set up some charade on some island somewhere to pretend that it's a headquarters or -- when it's really just a mail drop.

We need to look at our tax code and be honest about what it does produce, the consequences of the actions that we're taking. The debate we're having now in the Senate that was brought about because of the European Union threatening tariffs against us if we didn't end an effort to provide subsidies to manufacturers here at home gives us an opportunity to begin to create a bipartisan consensus along a range of possibilities that will help us keep jobs and prevent the exporting of America.

DOBBS: You also recommend a manufacturing research agency modeled on DARPA, the old program that actually led to a couple of interesting things, like the Internet, amongst others.

The idea of government stepping into this is one of those issues that is sure to be a lightning rod for criticism. What do you envision that agency really doing?

CLINTON: Well, Lou, I think, in so many ways in our past, we have had government investments that made us richer in the future, whether we talk about the Internet, a recent Defense Department, government-funded, originally scientific communication system that we obviously know what has resulted from, but, also, the interstate highway system, our airline system, our space program, other investments that we make.

And I think, if we look at what is on the horizon -- you know, we could produce a lot of jobs in our country through clean, smart alternative energy. We could be more competitive in both conservation and in, you know, new means of producing energy for everything from the automobile and other forms of transportation to power plants.

We are ceding that field. The European Union and Japan have rather significant government programs under way to take the risks that are often difficult for the private sector to take in the beginning. And then, once you get over those obstacles, where something is doable and has commercial implications, you put it out in the private sector. And we then can outcompete anybody anywhere.

DOBBS: It's nice to hear you say that. It's nice to hear any elected official say that, because, too often, we are hearing some -- some rationalization, it seems to me, on the part of a few, saying that, not only is labor cheaper, but, in some cases, the suggestion that it's better somewhere, the competitive side of it really masking just simply cheap overseas labor.

I'd like to read, if I may, Senator, a reaction to -- from the manufacturing side to your proposals today. I'm quoting Randall Wolken, the president of the Manufacturers Association of Central New York, who said "it is more important to get the government to aggressively retain and attract jobs than to create a new agency."

How would you react to that? And he was generally supportive of your proposals, I must add that.

CLINTON: Well, I think that he's right, that what I'm advocating is a whole range of approaches and policies. The Manufacturing Research Agency is only a part of that. I would certainly start with the more immediate needs because anything that took some time for research and development is some years off. But I wouldn't forget that, because I think planning for the future is something that we can reap benefits from. But I think we need to focus on, number one, getting our tax system right, quit giving incentives to people for moving jobs offshore.

Getting our trade system right, you know, I was very disappointed when the current administration moved away from the Jordan free trade agreement, which began to try to put into place higher labor and environmental standards so it wasn't a race to the bottom. We also need to be looking at the fair treatment of our workers, and that's a big problem for us in Upstate New York, because we've lost so many manufacturing jobs and now we're losing service jobs. And we're not giving people the support they need to find their way back into the job market. But at the same time, we've got to have the jobs for them to be able to take.

DOBBS: In your suggestion for honesty, Senator, I have to say that we all bear some responsibility here, it seems to me, Democrats, Republicans, media, corporate America, because there was an acceptance of the initial idea that manufacturing jobs, the loss of them, the millions of them that we've lost over the past, really, almost two decades in this country, somehow would be offset by high-value jobs.

Now that those are being exported, I think there's a little more keenness to be just absolutely honest about it on all our parts. You talked about a bipartisan approach. How reasonable is it to expect a new consensus here? Because we're looking, frankly, at a free trade environment that has led to a half trillion dollar, better than half trillion dollar current account deficit for last year. We're on our way to exceeding that now, as you know. How are we going to do this?

CLINTON: Well, Lou, I think your cautionary note is exactly right. We need a little more humility too. We don't have all the answers, but one thing we can be sure of, if we do nothing, we're going to continue to export American jobs. And that's not only bad for America, that's bad for the entire global economy.

You know, I think of the global economy as an inverted triangle, resting on the shoulders of the American consumer. And if the American consumer cannot have enough disposable income in order to maintain a standard of living that creates more opportunities generation after generation, that's bad for everybody. So it is in our interest to create this bipartisan consensus.

Unfortunately, I think the administration has really bought into the fact that all we need to do is cut taxes on the wealthy, and we have to have a laissez faire attitude toward trade and toward retraining workers, the tax system and everything else, and somehow it's all going to come out in the end. That has never been the American way. You know, what I sense is a sense of fatalism and defeatism that I just reject.

DOBBS: I think we're all with you on that part. I would just like to point out, however, that free trade didn't begin with this administration. Your husband's administration was a leading proponent and a rather effective advocate of that, including the onset of NAFTA, of course.

Amongst the number of things, when we said you were going to be our guest here, Senator, a number of people pointed out to us, e-mailing us and calling us, saying, ask the senator about her helping Tata Consulting, a well-known outsourcer, open jobs -- and office in Buffalo, New York. I'm asking you, did you really understand the degree to which they were involved in outsourcing jobs when you were there?

CLINTON: Well, of course I know that they outsource jobs, that they've actually brought jobs to Buffalo. They've created 10 jobs in Buffalo and have told me and the Buffalo community that they intend to be a source of new jobs in the area, because, you know, outsourcing does work both ways. You know, we cannot close our borders. We have to be smarter about competing. We have, more enforceable trade agreements. But we also have to attract jobs from around the world. And you know, we are still the biggest market with the greatest potential for growth for businesses from literally every corner of the world.

So what I've tried to do is not only figure out tax and trade and retraining and other policies that will enable us to attract and keep jobs, but to be attractive, especially in Upstate new York, which has lost so many jobs that we can get people to come and bring their jobs to our states. So we're making real progress on that.

But, you know, it is something that I'm well aware of, and conscious of the implications. But I think that we've got to percent have trade going both ways. And again, if we're given a chance to compete, we can compete with anybody anywhere.

DOBBS: Senator, the -- John Kerry obviously is now going to be the nominee of your party. Do you think that what you've heard from him at this point is a strong enough statement on reaching a redress in trade imbalances and eliminating deficits and stopping outsourcing?

CLINTON: I think that John Kerry really understands the challenge in front of us and has made some very good proposals about addressing them. I look forward to supporting him in any way that he requests, because I think that we are going to provide an alternative, just as we are today on the Senate floor providing an alternative to the lack of economic policies by this administration and really the celebration of outsourcing.

You know, we're not going to stop all outsourcing. I'm not in favor of putting up fences around our country. I think what I want is to address the challenge we face and make sure that we are equipped to provide the incentives both to our workers and to our employers.

And Lou, let me say one other thing, because this is not just an issue for the public sector. I think that private sector leadership needs to take a good look in the mirror. They take every advantage of the American economy, the American contractual system, the rule of law that we support, everything that is great about living in America. And I think, frankly, that they need to be more responsible in how they view their obligations to this country.

Again, I'm not asking that, you know, they never do business anywhere else. But we've seen too many decisions made. Just in Syracuse, New York, this past year, we saw Carrier shut down a plant that was still operating profitably. And, you know, from my perspective, there needs to be a little more awareness of the implications of this kind of leadership on the part of the private sector. So it becomes a public/private partnership to do what is necessary to make sure that America continues to be as strong in the future as it has been for those of us who grew up enjoying the benefits of a strong economy here.

DOBBS: Senator, one last question. Do you want to be vice president?

(LAUGHTER)

CLINTON: No. I'm having a great time being senator, and talking to you about an issue that I care deeply about.

DOBBS: Let me put it another way, are you open to the idea?

(LAUGHTER)

CLINTON: You know, that is totally up to the nominee. And I don't think I would ever be offered. I don't think I would accept. Obviously, I want to do everything I can to see John Kerry elected president.

DOBBS: Do you think you would be helpful in that role as vice presidential candidate?

CLINTON: I think I could be helpful in my role as senator. I think I can do a lot to help people focus on the strengths of our candidate and the weaknesses, frankly, of the opposition. You know, we now have evidence, it's no longer speculative, about what this administration means for our country at home and abroad. And I think we're going to be able to make a very convincing case.

DOBBS: Senator, I think you're moving -- swerving rather sharply away from that call for bipartisan support for those proposals.

(LAUGHTER)

DOBBS: We thank you very much for being with us, Senator Clinton.

CLINTON: Thank you, Lou.

DOBBS: Just ahead, the price we pay: illegal aliens are costing this country billions every year, they are also, so say, their advocates, bringing us billions of dollars each year. But is the president's new immigration proposal the right response? We'll have two very different views, opposing viewpoints next in our face off. Stay with us.

U.S. SENATOR PAT ROBERTS (R-KS) HOLDS HEARING ON DEFENSE SCIENCE AND TECHNOLOGY BUDGET, 3/3/2004

CLINTON: Thank you very much, Mr. Chairman.

This is really to all three of you. And it's a problem that we have been struggling with, and that concerns the Reserve and Guard unit training and equipment and access to technologies, because with this higher operations tempo we have seen and heard disturbing reports about reservists and guard members not receiving adequate equipment, or at least not equivalent to active-duty. And what I'm wondering about is have those been any of the lessons learned about how we better equip and train on the newest technologies, Guard and Reserve units that are called into active duty, General Cartwright?

CARTWRIGHT: Yes ma'am. A couple of initiatives the Army has going is what we call the rapid fueling initiative. We started about a year ago. That equips, under the chief's direction, will equip every unit with the exact same equipment, whether it be active or reserve. Those units deploying on OEF-2 that are deploying now, whether they be guard, reserve or active component, will have the exact same equipment, whether it be knee pads, whether it be rifles.

As far as training, one of the lessons learned we have done, ma'am, is we have what we call, in conjunction with the combat commander and IED task force, that IED task force has actually gone to every Guard brigade and done training on IEDs. Both here and before the unit crosses into Iraq, they'll get training on what should be the tactics, techniques and procedures. They train on that before they go into theater on how to be able to do that.

So that's two of the initiatives and the lessons learned that we're doing to be able to do that.

CLINTON: Thank you, General Waldhauser.

WALDHAUSER: Ma'am, I can't speak directly on the equipment side of the house, but I can talk about the training to a certain degree. The Warfighting Lab, in conjunction with coalition partners and other agencies within the Marine Corps, has put on a training evolution in Southern California for all battalions going back to Iraq. And this has to do with cultural sensitivity, IED awareness and how to work in the environment that the Marines will find themselves in here very shortly.

And I would say that the Reserve units, the battalions that are going back with the Marines, have participated in that training, so they've essentially received the same training that the active-duty units have.

CLINTON: General, would you mind submitting to the subcommittee an answer with respect to equipment?

WALDHAUSER: Senator, I'll do that.

CLINTON: Thank you. General Cartwright, I know that General Curran has visited Watervliet Arsenal. And since 1813, actually, the war of 1812, Watervliet Arsenal has played a vital role in arming our military, and it is our nation's only manufacturing facility for large caliber cannon in volume.

At that same facility, Benet Labs performs scientific and engineering activities that range from basic research through design for production and engineering support for the production of its design team. And this co-location of the Arsenal and Benet Labs allows for complete lifecycle management, from idea through research, engineering into prototype, testing and, finally, full-scale production.

There isn't, so far as I know, any other co-located facility, and certainly no other arsenal that has this kind of resource.

When I visited Watervliet and Benet Labs obviously there were a lot of questions about their future. And I was impressed by what I saw there, and I certainly have been impressed by the role that they've played in the last two years because I think that having that facility available and open and operating, no matter what the conditions that we confront are, is essential to meeting our security needs. Are you familiar with Benet Labs and Watervliet Arsenal, General?

CARTWRIGHT: Yes ma'am, I am.

CLINTON: What are your thoughts on its future role?

CARTWRIGHT: Ma'am, I'll speak only to Benet, since they are one of my labs (inaudible) actually own up there, and I'll give you a couple of examples of the work Benet is doing right now.

One of the things they're doing is looking at in tank tubes (ph), particularly the Abems (ph) tank tube. Over a lifecycle, the tube will actually bend. One of the technologies they're looking at is to actually use a process to re-straighten barrels, which would be applicable from anything from large caliber to small arms to be able to re-straighten barrels.

The second technology they're looking at in cooperation with Lawrence Livermore is a process called laser peening that actually allows the metal to be harder. You actually shoot the laser at the metal. And it allows it to be harder than it actually is, and it lasts a lot longer.

And that's two of the pieces that Benet Lab is doing. So it's not only supporting the arsenal, but it's looking at: Can I look at using them across a lot of the products, particularly laser peening; can I use it not only for tank tubes or artillery tubes, but could I use it for fan blades on jet engines, ma'am?

CLINTON: So that could be part of a, sort of, transformational recapitalization strategy with respect to a number of items?

CARTWRIGHT: Yes, ma'am, we're looking at that across all the labs. And it goes back to the chiefs -- really, direction of how do I take future technologies and put it to current use today? Because we can't wait till 2010 to bring the technologies in. I need the technologies now. And we're looking at that across all our labs, industries and the arsenals to say, "How do I bring those in today?" Because the old 90 percent solution is a day gone by when I can give the soldier a capability they need.

CLINTON: Thank you.

ROBERTS: You know, Senator, the thought occurred to me that at Fort Riley, Kansas, we do an awful lot of -- it's the best tank firing range in America. I guess maybe relocating all that to Kansas wouldn't be what the answer...

CLINTON: I think a memorandum of understanding and partnership would be really the -- jointness is what I think it would ...

ROBERTS: Well, everything has to be joint today ...

CLINTON: Yes.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON THE FY 2005 CENTRAL COMMAND AND EUROPEAN COMMAND BUDGET REQUESTS, 3/4/2004

CLINTON: Thank you, Mr. Chairman. And I, too, want to thank both of you for your service and for your patience being here today and answering all of these questions.

I am struck, General Abizaid, by the last pages of your testimony, starting on about Page 35, where you list the needs that you continue to have and both with respect to personnel requirements, as well as logistic support and even some legislative authority changes.

And I appreciate the specificity that you have presented here and we will certainly follow up on that. I particularly support the Commander Emergency Response Program, which I saw firsthand and it's effects when Jack Reed and I were there. And again, thank you for meeting with us during our time in Iraq and Afghanistan.

And I think getting the flexibility for those funding decisions down to local commanders made a huge difference.

CLINTON: And I'm glad we were able to fix some of the glitches and get the money flowing again. And I appreciate your raising that.

I wanted to ask your comment on a recent news report that I found very interesting and somewhat troubling. It concerned a report by NBC News a couple of days ago, and I quote: "The Bush administration had several chances to wipe out Zargawi's terrorist operation and perhaps kill Zargawi himself, but never pulled the trigger."

The story goes on to report, with both on-camera sources and off-camera anonymous sources, that, again quoting: "In June 2002, U.S. officials say, intelligence had revealed that Zargawi and members of Al Qaida had set up a weapons lab at Kirma in northern Iraq, producing deadly ricin and cyanide. The Pentagon quickly drafted plans to attack the camp with cruise missiles and air strikes and sent it to the White House, where, according to U.S.

government sources, the plan was debated to death in the National Security Council," end quote.

The report also went on to say that, quote: "Four months later, intelligence showed Zarqawi was planning to use ricin in terrorist attacks in Europe. The Pentagon drew up a second strike plan, and the White House again killed it," unquote.

General Abizaid, do you have any knowledge of this report, or do you have any information about any opportunities we might have had to take Zarqawi out?

ABIZAID: Thank you, Senator. And also, before I answer, I just want to say thanks for your support on the CERP. And you are absolutely correct, that ammunition is money, and money is ammunition, really has an important impact on the troops in the field.

With regard to Zarqawi, I read the report. I think we all know from open sources that we were always looking at this facility in Kirma up in northern Iraq, which we did attack during the war.

But the association with a particular terrorist, at a particular point, with the quality of targetable information, I would dispute. I don't think -- and of course I didn't have full access to all the information at the time -- but I would be very surprised to find out that we had a precise location on Zarqawi or UBL or Zawahiri or half a dozen of these other people that would allow us to launch a cruise missile from afar and kill that person. And I suspect that that portion of the report is not correct.

CLINTON: Mr. Chairman, I would ask consent to submit to the record the transcript of the report. I do think it bears further investigation. And I understand that the general may not have direct knowledge, but I think we should inquire further on the basis of that.

General Jones, I appreciated your report about NATO. And I was intrigued by your reference to expanding Partnership for Peace to include some of the countries that may not yet have formal membership in NATO. And I would be interested in hearing specifically which countries those might be, if that's possible in an open hearing.

But secondly, I am still bewildered by the delay that we have seen with respect to NATO deploying further assets in Afghanistan. You know, when Senator Reed and I were there, we looked for somebody in authority in NATO to talk to, and we couldn't find anybody.

We landed at Kabul with German and Belgian troops obviously assigned there. But despite the fact that they took action under Article 5, despite the fact that they came in early to provide military support and policing support, despite the fact that for months we've heard about their considering going in in greater numbers and working with the provincial reconstruction teams, and despite the fact that both secretaries Rumsfeld and Powell were there a few months ago discussing this matter, we have no action.

Can you explain in more detail what are the problems, the obstacles, the resistance on the part of our NATO allies?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON NATIONAL SECURITY THREATS, 3/9/2004

CLINTON: I apologize. My voice is terrible. I thank both of you for your service. The real crux of the questions comes down to number one, our support for your efforts, our

understanding of their vitality to our well-being and yet at the same time legitimate questions about our capacity and about the use of intelligence. And I've been troubled in the last couple of days by comments coming from certain sources about whether or not the Iraqi defectors were providing accurate information.

CLINTON: Admiral Jacoby, I understand from news reports that the DIA has concluded that almost all the claims made by Iraqi defectors about Saddam Hussein's alleged secret weapons were either useless or false. What is your view of the intelligence on WMD provided by Iraqi defectors?

JACOBY: Senator Clinton, we could go into detail in closed session. In open session, I would tell you that that news report does not accurately reflect our opinion. There are some situations where the information has been verified and corroborated through multiple sources. There have been other situations where we believe that information was either fabricated or embellished. It's a situation that we have in other HUMINT operations where the information spans a pretty broad range of veracity, and we need to go into the situation very much like we do in any HUMINT situation, our eyes very wide open, looking to verify, confirm, and continue to do that even as we work with various sources.

CLINTON: Do you know if any defectors with whom you and your agency dealt with also were given an audience and worked with Assistant Secretary Feith's Office of Special Plans?

JACOBY: Senator Clinton, I have no knowledge of that.

CLINTON: You just don't know.

JACOBY: I just don't know. I'm sorry. Yes. Make sure I'm clear.

CLINTON: Director Tenet, on this week's "60 Minutes," Ahmed Chalabi stated that he wants to come and testify before the Senate Intelligence Committee in open session. I, for one, think that's an invitation we ought to accept.

He accused U.S. intelligence of making bad use of the defectors that he steered to us. Specifically, in reference to U.S. intelligence, Chalabi said, quote, "I mean that people, intelligence people, who are supposed to do a better job for their country and their government, did not do such a good job," end quote.

How do you respond to Mr. Chalabi's statement?

TENET: Well, Mr. Chalabi's an interesting man. He's got an interesting history. And I think hearing him would be interesting. But, you know, I guess I don't have much of a response to it, Senator. Let's just leave it at that.

CLINTON: Well, also on that program it was disclosed that we --, meaning, I guess, the United States government, I assume through the agency -- is continuing to pay the Iraqi National Congress \$350,000 a month.

TENET: We're not paying them.

CLINTON: Admiral, are you paying him?

JACOBY: Senator, you have me in a situation where this would be best dealt with in closed session. I could give you detail.

CLINTON: Director Tenet, with respect to Zargawi, who I think you have rightly identified as one of our most dangerous enemies currently, there was a recent report on NBC News that reported in June of 2002 U.S. officials say intelligence had revealed that Zargawi and members of Al Qaida had set up a weapons lab in northern Iraq producing ricin and cyanide, and that the Pentagon quickly drafted plans to attack the camp with cruise missiles and air strikes and sent it to the White House, where, according to U.S. government sources, the plan was debated to death in the National Security Council.

Four months later, intelligence showed Zarqawi was planning to use ricin in terrorist attacks in Europe. Again the Pentagon drew up a second strike plan and the White House again killed it. Did we miss an opportunity to get Zarqawi?

TENET: I read the same newspaper report. I don't know that Zarqawi was up there at the time, Senator, and I don't know that the report accurately reflects the give and take of the decision making at the time. So I'll just leave it at that in open session.

CLINTON: All right.

Also, with respect to this continuing question about the quality of intelligence -- and I do think that frankly the people we should be talking to in closed, open or any session are the people who are the policy-makers, because I think you've made very clear what you have tried to do with respect to providing intelligence.

But I was struck by a comment by Mr. Kay that was reported in the British newspapers, The Guardian, last Wednesday. David Kay -- and I quote -- "it was time for President Bush to come clean with the American people and admit that he and his administration were wrong about the presence of WMD."

And Dr. Kay went on to say that he was worried that our intelligence would lose credibility, not only among our allies but I would assume among others as well, and concluded by saying, the next time you have to go and shout there's fire in the theater, people are going to doubt it.

I don't think any of us in this committee doubt the seriousness of the threats we face. And I am personally very grateful and impressed with all the work that has gone on to roll up networks and diminish their effectiveness.

CLINTON: But it is, I think, a legitimate point that Dr. Kay makes that if we're going to be waging an ongoing struggle against terrorism, it's clear that we have to rely on intelligence and we have to persuade others of the intelligence. Do you have a response to Dr. Kay's comment?

TENET: Yes, I would say, Senator, first of all, whether we were wrong or right is an important professional judgment for us to reach. That's why we're going through all of this.

I would say that we weren't -- and I've said publicly -- we're not going to be all wrong or all right. We have to critically -- and we are and the committees are -- assess every bit of intelligence we've collected, what our shortfalls were.

I tried to get up in a public statement at Georgetown to basically say, "Here's my bottom lines today. Here's what I think was good. Here's what I think didn't work so well. Here's where I think we are in all of these major files."

There is no other community of people that take this as seriously as we do. Our credibility matters. It matters on terrorism and proliferation and other issues.

So open, honest debate, telling the truth, standing up when we come to conclusions is what we're about in this country.

And, you know, many of our allied service, quite frankly, saw this the same way as we saw it. We're all playing off the same sheet music.

Well, that's just not good enough. In this society, we have to give people the confidence that we know what we're doing. And if we were in error, then we have to be willing to stand up and say so.

The only thing I'd say is I think that the men and women on the ground in Baghdad who work at the ISG who I visited two or three weeks ago don't believe their job is done. They still think they have a lot of work to do. And I think we need some patience to find out the additional data that they will give us, and we'll report it honestly.

CLINTON: Thank you.

U.S. SENATOR JAMES M. INHOFE (R-OK) HOLDS HEARING ON THE FY 2005 EPA BUDGET REQUEST, 3/10/2004

CLINTON: Thank you, Mr. Chairman.

And I join in welcoming Administrator Leavitt here. And before I get into budget and policy issues I want to thank the administrator for his role in getting the World Trade Center expert technical review panel started. We had a launch of that last week in New York and I'm very hopeful about what that panel will teach us concerning the air pollution problems post-9/11. The panel will retest some buildings in New York that were contaminated with toxic dust. And also examine concerns raised by the Inspector General last summer with regard indoor air quality. And I just want to publicly thank the administrator because I know that he's concerned about this issue and he has really been committed to it. And I know that he'll work to make sure the panel runs smoothly and helps to get some answers for the people of New York about the quality of their air and their homes and their workplaces. So I thank you again.

I would like to raise just a few budget and policy issues. With regard to the budget there are a few bright spots. I'm extremely pleased that the clean school bus program is proposed for funding at \$65 million, a substantial increase over the \$5 million appropriated last year. This is a program that I've worked on with Congressman Houghton and Walsh and it will definitely improve the quality of the air that children breath while they're on these busses by retrofitting old school busses with modern pollution control equipment. And I think that's a tremendous step forward.

But I do join my colleagues in expressing disappointment about the overall budget because the amount requested and the way that it is allocated I think is a step backwards in our commitment to strong environmental protection. I just want to make a few specific points. According to the EPA's own estimates, as you've already heard, we're facing a clean water infrastructure funding shortfall of \$500 billion over the next 20 years. Those of us in the District of Columbia at least part-time know what a challenge we face. The discovery of lead in the water, the implications that has for particularly pregnant woman and children is something that has to be taken seriously. So I think this clean water infrastructure issue will be at the top of the congressional agenda.

But I'm also dismayed by cuts in research funding. And one that I joined with my colleague from California in pointing out, is that the budget zeroes out the EPA's building decontamination research program. It's a small amount of money, less than \$10 million, but I think our experience in New York post-9/11 shows how important it is that we continue to look at this issue, and also our experience here with anthrax and ricin. You know, we've got

to be better prepared and we have to have the technical and engineering expertise. When anthrax hit, you know, everybody turned to EPA. When we had problems figuring out who was going to be responsible for indoor air contamination in the buildings that were contaminated in New York, everybody turned to EPA. I think EPA responded the best they could, but without this continuing research we're not going to know exactly what we should do. So I'm going to work hard to restore that cut.

But I'm also concerned about some of the policy choices. And I think that the mercury pollution issue is a perfect example. I don't think that we're requiring cuts that are deep enough or fast enough. And I am opposed to allowing trading of mercury emissions because that will lead to dangerous hotspots where emissions and exposures remain unacceptably high. This is a real urgent public health issue. In New York the Department of Health has issued 38 fish consumption advisories that warn children and pregnant and potentially young women who could become pregnant to limit the amount of fish they eat. We know that mercury is a potent neurotoxin. We know that prenatal mercury exposure can lead to poor performances on tests of attention and language. And I think we have to start looking at this, not only as an environmental issue, or as a health issue, but as a education issue because according to recent EPA analysis 630,000 of the 4 million babies born in this country could have mercury blood levels at or above the agency's safety limit. So I just can't stress too much how we have to look at this from a multi-issue perspective. And EPA has to be in the vanguard of dealing with these issues that have so many grave implications.

I have other concerns that my colleagues have touched on like Superfund and new source review, as well as several New York issues, but I wanted to raise those specifically for the administrator's attention.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman. I apologize for my voice.

Administrator Leavitt, I think that, you know, the problem is that there is so much information available about mercury that is in the public record and I would ask consent to include an article from the National Journal dated February 14 entitled...

INHOFE: Without objection.

CLINTON: ... the Next Arsenic. And there's also a lot of information about the rather torturous path that EPA has trod in trying to get to the point where you're on the verge of this rule. And it's very difficult to, in this kind of setting, get questions answered because they're complex questions and we don't have a lot of time. So on this particular issues, I would like to submit questions that go through in detail because I think we need to clarify this. I mean there's a -- you know, there's just such confusion and if we're going to start down a path that would do less than many of us think is possible, but even some of the EPA's own officials at one time thought was possible. And I think we need to be very clear about what we're trying to achieve and I am still of the opinion that we, you know, not only could do much more for the environment by providing incentives of whatever kind to these very recalcitrant utilities because there's a group of utilities that have done the work, that have already put in the equipment. We're in a sense penalizing them because they went ahead and made the investments that were called on.

You know, the clean energy group within the utility industry is equally distressed because, you know, this doesn't -- it looks like we're kind of changing the rules on them. So I still think we should look for some kind of incentive to get this over with and to employ people and to put together the technology. And just, you know, very honestly, I don't see that

coming from your well-meaning effort that I think is designed to fit it into the Clean Air Act and do what's necessary to try to get something on the table. But it is putting off the problem way too long. It has the potential for enormously legal challenges, from those recalcitrant, stubborn utilities that refuse to join the rest of the world in dealing with this problem. So this could be tied up in courts forever. It'll employ a lot of lawyers. It's not going to make the air any cleaner.

So I will submit some very specific questions. But I wanted to get a little parochial for a minute. You know, because New York has been an industrial state forever and been around forever, we have a lot of problems that we've inherited that are now coming to the forefront. In just one county that I would like to focus on for a minute, Dutchess County, New York, the home county of Franklin Eleanor Roosevelt. We have as many as 10 sites that have been contaminated by PCEs from manufacturing processes, mostly from the old IBM plants. And we have also sites that are contaminated by TCE. We have well water that is polluted. The limited testing that's been done so far shows widespread contamination of this well water. We also know that where there's PCE contamination there's likely indoor air contamination. We learned that at the Endicott site outside of Binghamton, another IBM site.

So I am going to be submitting some very specific questions about PCE and TCE sites. But today there's a site called Hopewell Precision in East Fishkill, New York, and there've been a number of calls, my Republican colleague, Sue Kelly, who represents that area, Senator Schumer, others have called for it to be included on the Superfund site. When the list of national priorities came out it wasn't on the site. But I would like to ask you to evaluate that again. And I'd also like you to take a look at the Shenandoah Superfund site and several of the other PCE contaminated sites. We need some help. And what happens is we ask for help from the EPA and EPA understandably says well go to the state. The state is overwhelmed. They come back and say we need EPA help. And then we get kind of caught in the middle and, you know, we have these very serious hotspots of contamination. And I think it also raises issues about whether the Superfund site list is adequate and whether we can't afford to put more on, getting back to Senator Boxer's position. So I will also be submitting some very specific issues about these Dutchess County sites. But, I'd appreciate you're taking a look at that and seeing whether there's something more we could do to help these communities.

Finally, in your response on clean water, you made the reference that we wanted to be reducing demand for water use and that payments for clean water should fall on ratepayers, not taxpayers. What exactly did you mean by that?

LEAVITT: Senator, it's the gap on infrastructure is so significant that we as a nation, in my judgment, will have to wrestle with what the components of a partnership will be. The national government clearly has a role. Taxpayers clearly have a role. The question is how large is the role? And that's what this committee wrestles with now. And it wrestles with every year as we go about the task of determining what contribution we will make to the water loan funds.

As a governor I wrestled with this issue because they are state revolving loan funds. And the states make contributions. So the question is does the water company who has the control of the system and the local community can define how they want to approach it, do it, or do we make the decision at the national level and fund it through a national mechanism? That's the policy question I'm raising. And I think it's not a new one.

INHOFE: Thank you, Senator Clinton.

We're going to have a last round since there are only four of us here, but we'll confine it to the four of us. And that is for five more minutes.

First of all, let me just -- I know there a difference of philosophy and of opinion that we keep hearing the polluter pays and the polluters not paying. And we need to have a polluters' tax. And I just want to restate it again and I'm sure I will again and again and again. This is

not a polluters' tax. This is a tax on business. Since we've had Superfund, of the potentially responsible parties, the PRPs, 70 percent of the cleanups have been paid by the responsible parties. In 2003 it was 87 percent. And I just would admonish you every chance you get, Mr. Administrator, to make it very clear that this is not a tax on polluters. It's a tax on businesses who are already having very serious problems.

In reviewing the portions of the spill prevention control and countermeasures rule that's been promulgated, there are three specific constituencies that I'm concerned about in Oklahoma. One is the air transport. One is the nation's farmers, and then last, the small oil producers. When I say small oil producers I'm talking about the marginal operators. And I know that there's been an arrangement reached with the API and some settlement talks. But I'd like for you to keep in mind, for all of us to keep in mind, that some of the problems of smaller producers are not the same problems that you have with the very large producers.

Now I've often said that in the other two categories, the air transport and the farmers, they shouldn't be a part of this anyway. In fact, I have a letter here that I sent to Administrator Whitman two years ago last month where I talked about the air transport. It's transport, not storage. And that there's a serious problem treating it as storage should a spill occur, trucks would necessarily have to be close together and it could have devastating results. But, having said that, what can you tell us about the relief the EPA would be providing for these two constituencies, the air transport and the farmers?

LEAVITT: Senator, I want to understand more clearly your question. But let me respond and see if I can get close to it and then you can redirect me. The Interstate Air Quality Rule is designed as a cap and trade system which essentially sets a standard of where we are today and where we want to get.

INHOFE: OK. I'm talking about the spill prevention control and countermeasures proposed rule.

LEAVITT: OK. I thought when you said the interstate, I misdirected.

INHOFE: No. No. No.

LEAVITT: Why don't we ask Marianne Horinko who I think might be able to respond specifically to your inquiry?

INHOFE: Well, go ahead and take that for the record, that'd be fine. I am concerned about it because I've written letters for over a two-year period believing that these should not be a part of that rule anyway. And I kind of want to, before the train gets too far down the road, to address that.

The EPA is deliberating on another issue of great importance to the small oil producers, their inclusion in the storm water phase two regulation. In December of 2002, the EPA proposed to extend the deadline for small oil and gas construction activities to comply with storm water phase two by two years to review the affect of the rule and what it would have on these sites. What progress has been made in reviewing the rule and the affect it might have on small producers? Of course we've taken the position that they should not be covered under this in the first place because it specifically talks about constructions and they are not in the construction business unless you say the construction of a well when it starts. Any thoughts about this or if it's something that you'd like to respond to in the record, that would be fine.

LEAVITT: We'd be happy to respond to the record. I could have Ben Grumbles (ph), who is the acting assistant.

INHOFE: Yes. And the reason I keep talking about the small producers is not just that we have so many in my state of Oklahoma, but when you look at the energy shortage and the problems we're having in America today, the small marginal producers, one statement that

has never been challenged is if we had all of the marginal wells flowing today that we have plugged in the last 10 years that it would equal more than we're currently importing from Saudi Arabia. So it is a very important thing to me and very important to our state.

Senator Jeffords?

JEFFORDS: Thank you, Mr. Chairman. I'd just like to go to repeating a request here. As you know, Senator Inhofe and I sent a letter to you last week regarding my information requests that are still outstanding. I have shared with you, as well as Senator Inhofe's staff's compilation of the request outstanding. I ask unanimous consent that that type of -- have that delivered to you and make it a part of the record.

Administrator Leavitt, you indicated to me earlier this week that your staff was reviewing our letter and that they would advise you on the appropriate responses. I'd like a commitment from you. Give me kind of a date in which I could get some response for this long, outstanding request.

LEAVITT: That's a response I'm happy to give you when I have it. And I will provide it as soon as we've concluded. We're in consultation with the chairman and the chairman's staff. We recognize the prerogative of the chair to ask for those documents. We want to do all we can to be cooperative. As I indicated earlier to Senator Wyden, our purpose is to share information when it's needed and when it's appropriate.

JEFFORDS: I appreciate that.

JEFFORDS: As I begin my next question related to lead contamination of Washington, D.C., water supply, I would offer my colleagues and the administrator a drink. You ought to take some of this water.

INHOFE: It's actually recycled urine.

JEFFORDS: Which are filled both water from our taps here in the Dirksen Building, supplied by the Washington Aqueduct, the water source for the district.

INHOFE: I hope you let it run for five minutes.

JEFFORDS: Then I would remind each of my colleagues that we have a choice to drink or not to drink this single glass of water before us today. This is not a situation which the people of the District of Columbia find themselves in. They don't have that option. I happen to be one of them too, so that applies to me as well. Many people who live here just don't have a practical or economically feasible alternative to tap water for cooking, bathing their children, mixing baby formula or drinking. For these people and for many others around the nation the decision that are made on all levels of government regarding water supply protections present immediate health issues. I urge my colleagues, the administrator and everyone involved in this issue, to keep this in mind as we move forward.

Administrator Leavitt, here in Washington the EPA is particularly responsible for the safety of the city's drinking water because the district does not have primacy under the Safe Drinking Water Act. This means that EPA region two must act as a state would normally act as the first line review of the city's actions. I'm extremely concerned with some of the reported actions taken by WSA. However, I am equally concerned whether EPA has acted appropriately in executing its responsibilities under the Safe Drinking Water Act. This committee will be holding a hearing on the Washington D.C. water lead contamination issue on April 7. I have a long list of questions for the record that I would like the agency to answer before that hearing.

However, there is one question that needs to be addressed today. Administrator Leavitt, can you describe what you see as a major failure of EPA in dealing with the lead contamination in the District of Columbia metropolitan area and are you concerned about similar lead problems in other regions of the country?

LEAVITT: Senator, much will be learned, I believe, in subsequent months as we look back on this period. It's clear that the Environmental Protection Agency does have a heightened responsibility in this case. And we have made clear to WSA, the agency that manages this on behalf of Washington D.C. and to Washington D.C. that there are certain things that we expect of them. We intend that they are done and done in a timely way. And if they are not that we'll be stepping up the involvement of the national government. But we have every assurance they've been operating cooperatively. Our intention is to assure that when you and I and every other member of Washington D.C. public drink water that it's safe.

JEFFORDS: Just get around to global warming at this point, the world scientific consensus, including the American geophysical union, and the National Academy of Sciences could not be much clearer, manmade emissions are contributing to global warming and climate change. This in turn is likely to have a serious negative environmental economic and national security impact upon the United States. Why shouldn't greenhouse gasses be regulated under the Clean Air Act because of the harm they already appear to be causing and will cause in the future?

LEAVITT: I see the red light is on. I will simply say, Mr. Chairman, that when the EPA, if the EPA is called upon by Congress to regulate them, we would do our best. But at this point they are not regulated pollutants and, therefore, we're concentrating on other things.

INHOFE: Well, I'd like to respond, but if I do that then I know there'd be other responses. But the science is certainly not settled. There is some confusion, as I said air transport, understandably you might think we're talking about air and it doesn't recognize state lines. I was talking about the air transport or the airline transport industry being under this particular rule and the problem, the danger, that comes from that. So I think...

LEAVITT: I'll do our best to respond in that light.

INHOFE: Right. That'll be fine. We'll get to that certainly.

Senator Voinovich?

VOINOVICH: Yes, I'd wish that Senator Carper was still here, but the reason why some of us haven't been able to support his legislation is according to EIA, the Energy Information Agency, that that legislation that deals with the question that Senator Jeffords raised would cost six times more than clear skies or \$150 billion because it basically caps carbon. And the problem we have here and it's something that you're going to have to reconcile is that we have been, through environmental policies, limiting the supply of natural gas and exacerbating the demand for it so that all of the new energy facilities in my state are natural gas.

By the way, they're not going to produce any energy this year because natural gas is out of sight. We are losing jobs overseas because of high natural gas costs. And a part of it is because we have had unrealistic environmental policy. And I think it's up to you to stand up and point these things out. And I'm certainly going to point them out to the people in the city of Cleveland and in Akron and Columbus and Cincinnati and the urban areas that the LIHEAP program is just being inundated because of the fact of these high natural gas costs.

Somewhere along the line we've got to balance this up with our economy and the impact it's having on the least of our brothers and sisters. And for some reason we can't get it done here. And maybe you can provide some leadership in this area.

The other thing we talk about the locals and paying for it. We got 200 and some 64 townships that have been asked to comply with the storm water management regulations phase two. They can't comply with them. Akron can't comply with them in 15 years. Now we went back and I think Senator Inhofe was here and Senator Jeffords was here, we amended the Safe Drinking Water Act several years ago. In fact, I was over at the White House when President Clinton signed that legislation. We eliminated the requirement that every three years you take on 25 new contaminants when they didn't exist. And we said

that if the old fashion technology gets the job done that you can go with that and not have to go to the maximum available technology because these communities of less than 10,000 couldn't afford them.

I think it's about time that you started looking at some of this stuff. What are you requiring these communities to do? What's the cost benefit? And for goodness sakes, if you can't come up with the money and I know what they're telling you, let them take care of it, the rates. Well, these people can't take care of it, 100 percent increase in rates? These communities are in bad shape today. And I think it's about time that the agency looked at this thing realistically and make some recommendations and said you know we can't come up with the dough because we've got a financial problem. These folks in the local level can't come up with the money.

The fact of the matter is in this country when we really did something about clean water it was back in 1971 when we went forward with the 75/25 program where the feds came up with 75 percent of the money and the locals came up with 25. And that went off in the middle of the '80s. There are just a lot of things that need to be reconciled around here because we're in a global marketplace today, you know? I've got jobs moving overseas. I've got companies closing down because of the fact that we just haven't figured out our harmonizing our environmental and our energy and economic needs in this country.

And somebody's got to stand up and start talking about it because I'm telling you it's killing my state today. If you want to respond you can.

INHOFE: Amen.

LEAVITT: Well, Senator 126 days ago I was the governor of a state who had a similar number of small communities struggling to meet these standards. I find myself now in a new role. I'm the administrator of the Environmental Protection Agency. I have a body of law called the Clean Water Act passed by the Congress, given to the administrator of the Environmental Protection Agency to administer. I have an obligation to achieve compliance, that's my goal. I have an obligation to enforce the law. That's my responsibility. I will tell you that the president of the United States gave me a very clear charge, purify the water, but do it in a way that will allow us to remain competitive as a nation.

I share your concern. I share that goal. There is no question that we have a national standard. We have to have neighborhood solutions. That's the tenant of my personal philosophy. Somewhere in between all of the hard edges of the Clean Water Act the hard responsibility of enforcing the law, the economic needs of small communities and the need for economic competitiveness there's a productive center, our objective is to find it.

VOINOVICH: Well, I think that because of the position you're in you should be able to provide us some leadership in this area, even if it is controversial. You should be able to say, you know, if the emperor has no clothes. OK?

LEAVITT: I've seen the emperor. He has no clothes.

INHOFE: Thank you, Senator Voinovich.

Senator Clinton?

CLINTON: Well, Mr. Chairman, this has turned into quite an ending here. You know, I have the deepest respect for my chairman and for the very able Senator from Ohio. And we are in a box. And we're in a box of our own making. And we're in a box that we don't need to be in, but apparently we'd rather stay in the box than get out of it. I think there's a way to both grow the economy and protect the environment. But it's not going to happen because of the positions that people have found themselves in. And some of the assertions that are made about what our state of knowledge is, what the clear, overwhelming evidence of science is, how we could create literally millions of jobs with respect to the environment in places like Ohio and upstate New York that are having lots of economic challenges. And it is

discouraging because every year that goes by we hollow out the commitments of previous generations.

You know, back in 1971 it was Republican president at a time when our tax rates were much higher on both individuals and corporations, when we sat down a consensus about how we were going to begin dealing with the environmental problems that are the natural consequence of the way we have built America over the last 200 years. Now we're in the 21st century. We've slashed tax rates. And we have more competition that we have to figure out what to do with and we are, I think, turning our back on our responsibility to the future and to those who came before who figured out a way to deal with clean air and clean water. And most of the progress was made under Republican presidents.

So it is very concerning to me. And I wanted to just ask a few questions about science because this is where I have a deep disagreement with my friend and chairman. Let me start with a specific question and then maybe get a little more general. You know, in the '05 budget the EPA acknowledges the importance of the research you're doing on building contamination, this is just one example. And yet we know it zeroes out the relatively small amount of money spent on building contamination. And in describing this cut the EPA budget frankly explains, and I quote, "this cut represents complete elimination of homeland security building decontamination research and the cut will force it to disband the technical and engineering expertise that will be needed to address known and emerging biological and chemical threats in the future" end quote. This is just an example of being extraordinarily short sided.

And it also, of course, is of great concern to me because of all of our problems in New York. And I think that the research in this area is critical to go on. I mean we've lived through anthrax. We've lived through ricin. We've lived through the contamination of the collapse of the towers. So I just don't understand how with a relatively small amount of money the EPA made this decision. Could you explain to me how this was arrived at?

LEAVITT: Senator, I want to express appreciation for the generosity that the Congress has shown over the last two years in funding decontamination research. We've done our best to use those funds wisely. The research continues, and, frankly, we have not yet used all of the funds that Congress appropriated. This recommendation was based on that fact. We're going to continue to assess it. If, in fact, there's a need for more money, the generosity that the Congress has shown in funding it we hope will continue and we would come back to ask for additional funds. But it was our belief that we could complete what was necessary based on the existing appropriations or previous appropriations.

CLINTON: Well, we will take a hard look at that. But, finally, I am concerned about the use and misuse of science. And in February when the Union of Concerned Scientists issued a report detailing a series of suppression and manipulation of scientific information that report was accompanied by a statement signed by 60 prominent scientists. You know, they didn't work for the energy industry. They weren't in the environmental movement. They were scientists. And they expressed deep concern about what the administration was doing. And, of course, they highlighted some of the decisions being made in the EPA, particularly about the proposed Clear Skies Act, which they believe and I agree with, would be actually a step backwards from the Clean Air Act, a mercury rule and some other related issues.

And I was struck by a comment from Russell Train who was the EPA administrator under Presidents Nixon and Ford, who said how radically we have moved away from regulation based on independent findings and professional analysis of scientific health and economic data by the responsible agency who regulate these matters. And it's driven by the White House and political consideration.

These are really serious allegations. And they go hand in hand with Senator Wyden's concern about how 12 paragraphs from a document prepared by the law firm that two of the EPA officials were once part of got into the mercury rule. So I'd like to ask you,

Administrator Leavitt, what steps will you take to make sure that the American public and the Congress can trust the information coming out of the EPA?

LEAVITT: Senator, it's been my experience that there are some remarkably able scientists, engineers at the EPA. And that we have partnerships with universities all over the world, and I will tell you that all over the country may I just emphasize that we are making decisions in this administration at the EPA on the basis of science, peer reviewed science. It's the first question I've come to ask. Whose produced this science? Has it been peer reviewed? Was it the basis of this decision?

With respect to what you said earlier, may I just say that in the context of any proposed rule information comes from lots of different sources. I took the rule home over the Thanksgiving holiday. It was about -- at least I took 275 pages of it to understand the policy of it. I don't know where all of it came from, but I will tell you that what I'm focused on in finalizing the rules what is the policy. And I want you to know that peer review is a very important standard we're holding all science to at the Environmental Protection Agency.

INHOFE: Thank you, Senator Clinton.

Senator Jeffords has two UC's and then we'll adjourn.

JEFFORDS: I ask unanimous consent to place Senator Lieberman's opening statement into the record.

INHOFE: Without objection.

JEFFORDS: I also ask consent to place the March 6 New York Times article entitled, quote, "How Industry Won the Battle of Pollution Control at EPA" end of quote, into the record.

INHOFE: Without objection.

JEFFORDS: Mr. Chairman?

INHOFE: Yes?

JEFFORDS: I'd like to ask unanimous consent to include the results of my information survey on mercury control companies as part of the record.

INHOFE: Without objection.

JEFFORDS: I believe that's...

INHOFE: OK. Did you have a final comment?

LEAVITT: I just wanted to make sure that Senator Jeffords knew that it's 10 minutes you should flush your water, not five. I misspoke.

INHOFE: Thank you very much, Mr. Administrator. We appreciate your time this morning very much.

END

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON MISSILE DEFENSE BUDGET, 3/11/2004

CLINTON: Thank you very much.

The GAO is publicly releasing a report today that expresses concern about the lack of test data, something we've been focusing on here. And the report warns that the test plans through '07 do not include sufficiently challenging targets and decoys.

Now, the report, General Kadish, says that the first attempt at launching two interceptors against two targets is not scheduled until 2007. Is that correct?

KADISH: That's incorrect. I haven't read the report specifically, but part of the problem we have here is that we continually evaluate our test programs, and change our plans significantly sometimes based on the performance of the system. So we're not able to keep it up real time, given how those reports are made.

So I'm sure at one time that was what the schedule was, but I believe we have accelerated that effort.

CLINTON: So sometime after deployment in '04 but before '07?

KADISH: I think the current plan -- I'll have to make sure it's right for the record, but is next year.

CLINTON: The report also says that no plans exist to assess the effect of severe weather on the system's performance or to conduct flight tests under unrehearsed and unscripted conditions. I assume that relates to Senator Reed's point about the GPS.

But with respect to weather and the unscripted conditions, is that a fair statement?

KADISH: I don't think it's fair in the sense that we don't currently wait for a storm to do our tests. We have time lines to meet. We have certainly had weather effects on our system. Rain storms occurring during the test, that type of thing.

(UNKNOWN): If I might caution you, this report from the GAO that you referred to ended up being a classified document. I know it came into the committee as an unclassified document, but then the committee reclaimed it, I understand, as a classified document. I think we have to be a little careful about -- I just want to warn you about that.

CLINTON: I appreciate that caution. It's my understanding that's a different document. The GAO report I'm referring to is going to be publicly released today. And I believe there's a confusion about the report.

(UNKNOWN): OK. As long as we're not getting into -- as long as you understand and are aware of that. I was...

CLINTON: I'm very much aware of that. I'm very much aware.

In fact, I'm reading from The Washington Post.

(UNKNOWN): Well, there was an article written about the classified document that I understand should not have been made public.

CLINTON: I know, that's a different issue.

(UNKNOWN): That's a different issue. OK, very good, just as long as we're aware of that.

CLINTON: And I assume that doesn't come out of my time.

(UNKNOWN): It does not.

(UNKNOWN): Mr. Chairman, I'd also ask for 30 seconds, not out of Senator Clinton's time, to put in the record a GAO highlights of the report that Senator Clinton is referring to, because there are indeed two reports. The one that she's referring to is not the classified report. But I'd put in the record the one page that we have, which is clearly unclassified, that I know she has...

ALLARD: Without objection, that will be done.

And Senator Clinton, you may proceed.

CLINTON: Thank you, Mr. Chairman.

Thank you, Senator.

(UNKNOWN): Thanks for your time.

CLINTON: The other point raised in the unclassified GAO report refers to the reliance on tracking data from an old surveillance radar, called Cobra Dane. But the report notes that the radar will not have been tested in its new role and will lack the ability, even with software improvements being contemplated, to provide more than a rudimentary analysis of incoming missile threats.

Is that a correct statement?

KADISH: I don't believe it's going to be correct. It may be correct today. But the radar Cobra Dane, again, I'd rather not get into the specifics here, for classification reasons. But as of today, we have installed our software on that radar and it's actually tracking objects.

CLINTON: General, last year at our hearing, my colleague, Senator Bayh asked a question -- and he unfortunately had to leave -- but I want to reiterate the question, because I think it really gets to the core of our concern.

Last year, Senator Bayh said, suppose that our best effort at negotiation and containment of North Korea prove unsuccessful, and that at some point next year the president, whoever that is, is confronted by actionable intelligence that for whatever irrational reasons the North Koreans are contemplating or preparing to launch missiles against our territory and most likely that would mean Hawaii or perhaps Alaska.

And the president calls you, General Kadish, and says, "Tell me, am I ready to defend against a potential attack from North Korea today?"

Now last year, the response, as I recall, to Senator Bayh was, that's classified. Is that the same response this year?

KADISH: The actual performance data would be classified, yes.

CLINTON: Now, what that leaves, though, it leaves a tremendous amount of concern on the part, not just of members of Congress who, like myself, support a National Missile Defense System, if it's done appropriately and if it actually works, but it also raises the possibility that whether it works or not at this point, it has deterrent effect, the very fact that we are engaged in it may in some way deter those, assuming they act rationally.

But do you have any prediction as to when performance data will be made publicly available so that it can be debated and analyzed by members of this body and equally important the American public? I'm not talking about details, but at least being able to answer the question, will it work? If we are confronted with a launch from North Korea, is this a defense system that we can count on to work?

KADISH: I think there are two questions there, so let me try to answer two questions, unless somebody else wants to help me answer this question.

But from my responsibilities, I firmly believe, personally, that the performance characteristics of any weapons systems, especially this missile defense system, should be properly protected with classifications appropriate to it.

So public discussions of specific performance capabilities would not be appropriate. I don't think we generally like to discuss in public our offensive performance capabilities, for the same reason.

So having said that, however, the next question is, how are we going to maintain increasing confidence in the effort? And what characterization could you make at any given time in the system?

And I guess my response to that would be that at any given time, we will have an understanding of the behavior of our systems, its performance based on testing to date, and it will change over time. And it is my belief, given the investments that we have going in here, that it will always get better.

Now at any point in time, Admiral Ellis, our successors in these positions, will have to make that judgment. If we're ever asked the question what is the capability we have today, we'll have to describe that in ways that people can understand and act on.

But it's a different equation when you say there is no capability today, zero, and there is something different than zero. And there's a different assessment between when you have something that's constantly improving to describe that in a way that people can understand. And I think we'll be in a position to do that, when and if called on to do it.

And in fact, as we put it on alert, that's part of the process of learning about the system.

WYNNE: Senator, I'd also like to follow up and just say that after each test, I know that the Missile Defense Agency comes and discusses with this committee the results of those tests. And I expect that that interaction will continue to make sure that you do, in fact, have a very robust knowledge of what the capabilities are.

And I know that beyond that, this committee has been, and continues to be, extremely sensitive to making sure that we do in fact express a deterrent effect.

WYNNE: I mean, I go back to the Strategic Air Command and their nuclear mission. And peace was their professions, and that was their motto. And I know it is the motto of the Atlas missile people who watch right now under the watchful eyes of Admiral Ellis. And I know it's going to be essentially the mission of the ground-based missile defense that we hope that we have invested sufficiently and are technologically clear that it will have the deterrent effect our triad has had over the years.

CLINTON: Mr. Wynne, could I just ask you: Do you believe the recent Russian claim about their development of a capacity I guess -- I don't know if it's fair to say -- evade, or their recent announcement that they've developed a maneuvering warhead to evade missile defense?

WYNNE: I read that in a public policy. I have not seen anything beyond that.

There's no doubt that the Russians are continuing to invest in offensive missile capability. Don't know that it's yet what the level of development is.

CLINTON: General, do you have an opinion about the Russian claim?

DODGEN: I think it's the same as Mr. Wynne. At this point in time, our missile defense systems are not oriented to Russia. So we're not paying -- I'm not paying much attention to that.

ALLARD: Senator Clinton, we need to move forward. I gave you an extra two minutes, by the way.

CLINTON: Thank you, Mr. Chairman.

U.S. SENATOR JEFF SESSIONS (R-AL) HOLDS HEARING ON THE FY 2005 ARMY TRANSFORMATION BUDGET REQUEST, 3/11/2004

CLINTON: No, that's fine, Mr. Chairman. Thank you. I don't have enough voice to make both an opening and ask questions.

But I wanted to pick up where Senator Dole was leading, because I think that she's articulated very well some of, you know, the questions that I have. And maybe we could put it into more of a practical example, which might help me understand the modular concept as you're describing it.

Because I'm very intrigued by it. And I think it sounds as though not only have you given a lot of thought to it, but certainly, as you describe it with full organic and independent capability and with this ability to be networked and really be part of a joint theater, I mean, obviously that makes an enormous amount of sense.

Let's, for the sake discussion, assume that one of these new modular brigades, say a heavy brigade, is in a conflict similar to OIF, and across a border of an enemy country and they're moving on whatever the target is. Now, the modular brigade, which is self-contained, as you have described it, General, how would that, as you envision it, deal with both the supply chain and logistical problems that you have discussed?

And I appreciate it when General Schoomaker testified before us, his assessment which went along with some of the after-action reviews, that there some real logistical glitches and you're now about the business of trying to figure those out.

So on the one hand, how does this modular brigade perform differently and more effectively in conjunction with whomever on the, sort of, supply/logistical end?

And then suppose this new modular brigade gets to a target objective and holds ground where all of a sudden you need MPs and civil affairs until something else occurs. I mean, just, kind of, give a more practical down-to-Earth explanation as to how we can be modular, smaller, more productive and deal with these continuing challenges we have.

CURRAN: OK.

CLINTON: Either General Curran, General Casey, Secretary Bolton.

I'm just really curious, because, I mean, the concept is so attractive, but I'm just trying to understand it better.

CURRAN: If you would permit me, I'd like to address the last part of your point first.

The brigade has moved, as you stated, through a major combat operation, has now secured its objective and is now transitioning into a different mission, for instance...

CLINTON: Right. But it happened so quickly.

CURRAN: And it does happen very quickly.

The rest of the modularity story is not just about these modular maneuver brigades, heavy and light. The rest of the modularity story is that there will be support units of action or brigades that are in a force pool nested at what we call the unit of employment level -- read division, corps or army of today. And these capabilities -- MPs, engineers, aviation, fires, psychological operations -- these pools of capabilities will be resident and available to be tailored with the brigade.

As we talked about, we are changing a number of our positions within the Army, reducing the amount of artillery, moving to more resident MPs, civil affairs, PSYOPS capabilities within the organization. They will fill out and round out the support units of action. The support units of action are also modular in design.

A combatant commander can pick and choose from this pool. "I need this many maneuver units of action, I need this many protection support units of action or brigades, which would include MPs and engineers. I need this many sustainment units of action." And from the force pool, the combatant commander will be able to tailor the force to meet the needs they would.

If we would take OIF as an example, one of this new modular brigades is part of the 3rd Infantry Division that's marching on to Baghdad, it arrives at Baghdad. In the force flow, you could have additional support units of action that are following to flow into theater to meet up with that brigade when it transitions to that new mission.

It already will have some embedded capability. It has MPs and it has engineers already nested within the modular design. But we're speaking about now is really a transition to a stabilization mission, peace mission.

But these will all be nested in modular capabilities at a higher echelon but in a force pool that the combatant commander can draw upon.

I wanted to take that part anyway.

CLINTON: Thank you very much.

BOLTON: Senator Clinton, if I could add another example, and really it's what our sister services are already doing. The Navy, for a number of years, if not decades, has used carrier battle groups, which brings together certain capabilities to affect some type of capability that the combatant commander wants. So we'll have X number of Aegis cruisers, destroyers, attack boats or submarines, carriers, domestic aircraft and so forth.

Back in the mid-'90s, the Air Force went to the expeditionary Air Forces, which then took fighters and cargo and tankers and other assets, both airborne and spaceborne, and put them in packages.

The Army has done a similar thing, but here the scale is a bit larger, particularly when you get onto the ground and particularly in stabilization situations. And as Mark's already pointed out, there are groups that we will modularize to take care of stabilization, whether that's contracting, setting up of infrastructure, the civilian policing forces, opening up hospitals and libraries and mail service and roads and so forth.

And once again, it's the combatant commander who will drive this initially to say, "This is what I want." And it's up to us to figure out which modules we're going to put together to meet that.

And I agree with you, this is an interesting concept. It's exciting and I'm glad to be a part of it because some of my folks will be some of the first on the ground to take care of the infrastructure when we go into stabilization.

CLINTON: General Casey?

CASEY: Let me see if I can try it this way. Maybe if I compared it to the capabilities of a brigade moving on a mission today compared to what a modular brigade would do. Maybe that would help out.

Today, a brigade formation moving, it would have a reconnaissance company, a smaller unit, about 75 to 80 folks. And their job is to go out and find the enemy and develop the situation. The modular brigade would have a battalion, about 600 people, doing the same thing.

The current brigade may get some time from the division level UAV to look at in front of them. And if they're really lucky, they may have some small UAVs that they can use forward. In the modular brigade, the reconnaissance squadron would have its own UAVs that they would use to develop the situation in front of them. The target acquisition element with the artillery would have their own UAVs to develop targets for the artillery to shoot at. So instead of sharing time, they've got their own and they've got their own in a way that facilitates the commander seeing the battlefield and at the same time getting his targets for him.

In the current headquarters, you have attachments showing up; your civil affairs, your MPs, they don't normally train together.

CLINTON: Right.

CASEY: Those folks are all built into the new headquarters at the modular brigade.

In the current brigade, you probably will have an Air Force liaison officer and a few small air liaison teams that you'd share down to the units. In the current modular brigade, you'd have a joint fires planning cell with all of the appropriate connectivity to reach back into the joint fires system. So much, much better able to see the battlefield and to bring joint fires and joint effects into play.

The other thing is because it has its own enablers, it can operate on a much wider piece of ground. When the division commander is trying control all of his elements, they generally have to stay in close contact or at least maintain contact. And so it's a little more structured. These modular brigades are designed to operate in a non- linear fashion.

CLINTON: It sounds, too, that you've pushed a lot of authority down to the combatant commander.

CASEY: Down to the colonel; that's exactly right.

CLINTON: Which I think makes a lot of sense. And, you know, when we visit with a lot of the commanders -- when I was there with Senator Reed, you know, giving them maximum authority to be able to operate was one of the best things that we did. It was, kind of, by default in a way, because there was so much unexpected that people ran into.

Do you think, General, it would be possible to give us some sort of a visual display of this, you know, with, sort of, the terms and the interconnections? I mean, I just think it would be helpful to really lay it out, because it's an incredibly creative concept, which I'm very intrigued by. I don't pretend to understand it, but you did the best you could to explain to me, for which I'm grateful.

CASEY (?): A picture is definitely worth a thousand words.

CLINTON: A picture is worth a lot. Thank you very much.

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS
HEARING ON THE FY 2005 DEPARTMENT OF ENERGY**

DEFENSE-RELATED ACTIVITIES BUDGET REQUEST, 3/23/2004

CLINTON: Thank you, Mr. Chairman.

And, thank you, Mr. Secretary. I had a series of questions on a variety of issues. And I wanted to follow-up on the line of questioning concerning our efforts on non-proliferation. And as I understand it, the department's National Nuclear Security Administration has a real expertise in non-proliferation verification research and is responsible for the development of remote and ground-based sensing and detection technologies that are capable of detecting nuclear weapons and materials at borders, airports and elsewhere.

In fact, I think it's fair to say that the technology work that the NNSA does represents the bulk of the research in our government on nuclear detection technology development. That's why I was concerned to see that the budget for this work in fiscal '05 is \$111.5 million which represents an 11.6 percent reduction from fiscal year '04.

I can't imagine any more important work than our efforts to understand how to detect weapons grade materials. And to me, this reduction seems short-sighted. So if I could ask you to explain. In your opinion, is the NNSA doing everything possible to address this problem? And what are the unfunded requirements for detection technologies?

ABRAHAM: It's first of all, I think, fair to say that they do excellent work. And I think you're exactly right. It's my understanding that some of these program responsibilities were moved out of our department, which is what accounts for the reduction in funding as part of the Homeland Security Department's emergence. And so, some of that responsibility for the research has moved over there, which is what accounts for the change in funding.

Now I've got a lot of experts sitting here who probably know the numbers better than I do, but that's my understanding of the reason that that's changed.

CLINTON: Well, I would appreciate having some written response to this because I am, frankly, concerned about moving high-level technology research into the Department of Homeland Security. And I don't know that they are up to speed or have the capacity, have the interaction and synergy that goes on in DOE.

And, you know, I think we really need to take a hard look at this, Mr. Chairman, because there isn't anything more important than having the very best that we can have doing this research and developing this technology.

So I'd appreciate some written response and maybe a trail that can lead us to find out who we can ask at the Department of Homeland Security because, you know, they're having trouble getting up and going on a range of issues that are under their umbrella. And this is one that I don't think belongs there, if indeed that's where it's been moved.

ABRAHAM: We'll be happy to provide that.

CLINTON: Thank you. Mr. Secretary, I'm also impressed by the recently announced task force that you have compiled to work with the International Atomic Energy Agency to locate, identify and assess the risk of radiological devices. I think you referred to it earlier in responding to a question.

From our information, it's having considerable success. It's creating a kind of global commitment to this. And we're making some progress.

But not being addressed is the highly enriched uranium and weapons grade plutonium that exists outside of Russia and the former Soviet Union. Would you support an effort similar to

the radiological dispersal devices task force to locate, identify, assess the risk and secure as appropriate highly enriched uranium and plutonium worldwide?

I certainly congratulate you on what's been accomplished in Libya. I was a little bit concerned that we're sending some of the material back to Russia. That doesn't give me a lot of confidence at this moment because I'm not yet sure that we are doing everything we need to do there.

But what about this idea of setting up a comparable task force?

ABRAHAM: Well, I think a global clean-out of this kind of material is very wise and I think should be a very high priority.

I kind of referenced earlier this effort we've been doing on an ad hoc basis, Mr. Chairman. There is U.S. origin fuel that's out in the world that needs to be returned. We now are going to be consolidating that effort which had been under the Environmental Management Division of the Department of Energy. We're going to consolidate that and integrate that into this program that's ongoing in the Non-Proliferation Division of the NNSA because these should all be housed in one place.

But there is a lot of U.S. source fuel. The Russian source fuel I mentioned -- the reason it goes back, it's the Russian's fuel, so we -- obviously their ownership rights dictate the return. But there is also fuel that has origin that's neither Russian nor American.

CLINTON: Right.

ABRAHAM: This past week, I had an opportunity to talk at some length about this with Director General ElBaradei of the IAEA because this is a priority that he, I think, likewise shares. And we, in fact, talked about how we might put together a multi-lateral effort to do this.

I think it's a serious threat, and I -- whether it's a Department of Energy task force or Department of Energy led task force or it's an IAEA program, I would think that it would be very timely.

CLINTON: Do you need legislative authority or any additional appropriated authority to do this?

ABRAHAM: I don't think we do. I'm kind of looking over at our folks here. I don't think we would need that to get it started. But I think it's a fair question for the record that we might want to get back to the committee on.

CLINTON: Well, it might very well be something we consider in the authorizing process because I really applaud you for what you've done on radiological devices. I think this is exactly the direction we need to be moving. And I would like to support you in this other area.

On a more provincial basis, but one that I think of as very important, last summer, Mr. Secretary, you wrote to Congress asking for support for legislation to reclassify certain high-level radioactive waste incidental to reprocessing. I opposed that legislation because I believed that it would result in more high-level waste being left at the West Valley site in New York. I think it would also have the similar impact in Washington, South Carolina, Idaho, elsewhere.

The language was ultimately not included in any appropriation bill. But I understand that the department may be pressing for this legislation again. Is that correct?

ABRAHAM: Well, just to step back a moment, the issue that we have is this. Throughout our complex, of course, the results, the remainder of the work that was done during the Cold War on the weapons programs. And one of the issues that we have been wrestling with is the disposition of materials within tanks that are the result of reprocessing.

That material is not of one composition. The material in these tanks is of multiple types of composition, some of it obviously of critical, urgent need for remediation, high-level waste. And other waste whose radioactivity level does not meet the same standard.

We believe and have felt that the department had the authority to differentiate the classification of the composition of these tanks. But a district court ruling in Idaho has, as you know, raised questions about whether that authority exists or the extent to which it exists.

And so, in this year's budget, just to put it in perspective, we have fenced about \$350 million of money that was going to be spent on the remediation of what is probably over time about a \$50 billion program. The \$350 million we were going to spend this year on that program is kind of on hold until we can resolve whether or not there is such authority.

ABRAHAM: But we need to clarify the legal authority.

We believe that the department does have the ability to safely and accurately differentiate between the kind of materials that are -- the radioactivity level and, therefore, the disposition of the materials in these tanks. We are talking with the various states, and we hope that maybe we can come to a resolution because the longer we put this off, if we don't spend that money, if we don't start down this road, the more the risk, you know, grows in these communities.

CLINTON: Well, Mr. Secretary, could I have your commitment that you would consult with New York state and also with my office as you proceed on this? Because it's my understanding that New York at least has not been brought into these conversations.

ABRAHAM: Well, we'll make sure we keep New York informed. At this point, I'm not sure whether there'll be a legislative solution that works. But obviously for us to proceed, there's going to need to be legislative action. And obviously all the members will be, you know, involved at some point. And we'll keep you apprised of where that's at.

CLINTON: And also the state, too.

ABRAHAM: OK.

CLINTON: Thank you.

Thank you, Mr. Chairman.

WARNER: Thank you, Senator.

Senator Bill Nelson?

BILL NELSON: Thank you, Mr. Chairman.

You've got the little BB there right by you.

ABRAHAM: Right.

BILL NELSON: So why don't you tell us is DOE committed to support the National Ignition Facility so that the goal of ignition can be once again no later than 2010?

ABRAHAM: Yes, we are committed to that goal. We recognize how important achieving it is to Congress. And it is important to us.

Mr. Chairman, I did bring this today. I mentioned it to you yesterday. But in this case is a target, what would effectively be -- what will be the target of the National Ignition Facility. Maybe somebody could get it up to the head table if you all wanted to look. And let me try to explain quickly, and then I know you had other questions.

But one of the challenges which this whole process presents to us. Of course, like many of the things the Department of Energy is forced to work on, is doing things that were unthinkable, never before attempted, scientific achievements. What we will be doing when

this National Ignition Facility is completed and all the 192 lasers are functioning is to shoot effectively 192 laser beams at the small, red BB in the middle of that glass container and hit it simultaneously.

To give a sense of this, I was informed yesterday that the power that would be involved in that moment of contact would exceed all the power production all United States electricity generation facilities at one time. We have to hit that BB. And the challenge which caused us to pause in terms of the timeframe was that not only do we have to hit that tiny, tiny target, but we actually have to also inject inside of that target deuterium and tritium so that we can measure the impact of this process when this laser shot takes place.

Now how to get those gases into that target has been a real challenge for us. And we had decided or believed that a diffusion approach -- that is, to freeze the substances and to try to effectively through diffusion inject them into the BB was the preferred course. The problem is that would take a lot longer time. And that's where the 2014 timeframe emerged for discussion.

We have concluded, however, that the use of a fill tube approach will, in fact -- although it's a little riskier -- will be, in fact, an approach that can succeed. And so, it is our belief that that approach can be successful. We have conducted other forms of experimentation that indicates we can do that without disrupting the physics that are involved. And so, that allows us to move back to a timetable that I think we and the Congress are focused on and believes needs to be met.

BILL NELSON: So that's the plan for bringing it back to 2010?

ABRAHAM: Right.

BILL NELSON: OK. In the National Nuclear Security Administration non-proliferation verification R&D account, the budget for this work in '05 is \$111 million, which represents an 11 percent reduction from '04. Given the importance of this work and the technical challenges of detection, particularly the technical challenges of detection of weapons grade materials, I want to question this reduction in funding.

We have some of this detection stuff in my state. So what I need to know is the NNSA going to do everything possible to address this problem? And what unfunded requirements for detection technologies?

ABRAHAM: As I indicated, Senator, earlier, the reason that this reduction appears is because some of the programs which had been in our department in terms of this R&D have been moved to the Department of Homeland Security. And that accounts for the difference.

We would be happy to provide the committee, as I mentioned a little earlier, with some specific information that would allow the committee to monitor how that phases, those parts of the program are being handled or where they're being handled, which office at DHS is responsible for your consideration.

BILL NELSON: Well, am I the chairman or you, Mr. Sessions, the chairman?

SESSIONS: I'll act as one. Are you finished? Thank you, Senator Nelson.

CLINTON: Mr. Chairman, would you yield for just a second?

SESSIONS: Yes.

CLINTON: Because Senator Nelson is concerned about this same issue I'm concerned about, what has happened to the NNSA budget. It's our information, Mr. Secretary, that the chem-bio detectors were moved to DHS, but not the nuclear detectors and that the money for the nuclear detection program has been cut. So we really need to clarify this because obviously this is a matter of some concern to a number of us.

And I appreciate the courtesy, Mr. Chairman.

SESSIONS: Well, thank you, Senator Clinton.

ABRAHAM: I'll take it for the record. I think we do have a comment to add, but I think probably the details are beyond what I can give you right now.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON HOMELAND DEFENSE, 3/25/2004

CLINTON: Thank you, Mr. Chairman.

Thank you, gentlemen.

Secretary McHale, during your confirmation hearings last year, I raised concerns about the number of firefighters, police officers, emergency personnel who were being called up. And of course we've seen an increased tempo even since your confirmation hearings.

And in February of last year, I wrote to Secretary Rumsfeld about this issue. And I appreciated your pledge and that of the secretary to find answers as to what the impact of the call-up of these first responders are. Because it connects with what you're doing on homeland security, these new civilian support teams. It's a very critical question to much of what we're discussing today.

Now, I've been trying, on my own, to gather some of this information. For example, the latest information I could get is that in 2002 the NYPD spent more than \$200,000 a week to cover their reservists and firefighters. Well, they covered their reservists who were in the police department. The fire department spent more than \$100,000 a week. So we've got \$300,000 a week coming out of the New York City budget.

We have, in smaller communities like Niagara Falls, the Niagara Falls police department spent more than \$350,000 last year to cover their officers away on military leave. They expect to spend the same now. And I've gotten information from a variety of other states, from Utah to North Carolina to Texas to Georgia.

And we are still concerned about this, because it is a deployment of personnel and resources. And just as the special operation forces take a lot of time to learn their job, to get ready to carry it out, you know, we found tragically, you know, on September 11th that, you know, a lot of our firefighters and police officers, also, it takes a while for them to understand exactly what they need to do. And we're losing a lot of those people to their Reserve and Guard duty.

Have you been able to conduct a study that I requested last year? And you planned to publicly release the results of that. And are there any policy changes that you might consider because of the impact?

MCHALE: Senator, the issue that you raise is very challenging, not only in the public sector but for private sector employers as well. When you had asked me the question during the confirmation hearing, I didn't have the information. The issue that you raise is one that falls within the jurisdiction of the assistant secretary of defense for reserve affairs.

We, in ASD Homeland Defense, operationally, we provide the policy guidance. General Eberhart operationally commands those reserve forces that are actually dedicated to the homeland defense mission. But issues of mobilization, recruitment and retention fall under the authority of the assistant secretary of defense for reserve affairs.

So in response to your inquiry, I went back to Mr. Hall, and he told me at that point that we did not have in our database of information the ability to identify which of our reservists were simultaneously employed as first responders.

And it was challenging, not so much in the case of professionally employed first responders, but because so many of our communities, particularly in your state, in the rural areas, are served by volunteers. And so we knew that an individual reservist was employed, working for, let's say, a manufacturing company. What we didn't know was that, in her or her part-time hours, he or she might have been a volunteer for a paramedic unit.

And so, you and I had met on the subject, and I had given you, at that point, the latest information that I had.

I also brought to your attention that there is, what I will call, a delayed-entry program. And that is, if a first responder is notified that he or she is being brought to active duty, the community in which that first responder works can request and will be granted by the Department of Defense a brief delay to bridge the gap, so that we don't have an abrupt departure of that first responder.

Lastly, I will now get back to Secretary Hall, find out what progress has been made on the database to see if we can identify how many professionally employed and volunteer first responders are also reservists, so that we can quantify, not just for the public sector, but for the private sector as well, the dual obligation.

CLINTON: I appreciate that very much, Mr. Secretary.

I'm also concerned about the continuing coordination between DOD and the Department of Homeland Security. And I'd like to ask you, Mr. Secretary, and you, General, as well, that last year we were told that the Department of Defense did not coordinate their heightened threat levels with the Department of Homeland Security's color code.

Now, can you tell me whether there has been any changes to code orange or code red with respect to DOD and NorthCom?

And in the event of a decision to increase the threat level, who makes the call on whether we increase defensive measures for New York? You know, I'm very focused on our continuing vulnerability and the fact that we remain such a high target.

And suppose the Department of Homeland Security initiated a higher code level of alert, but DOD and NorthCom decided not to. I mean, where are we supposed to end up there in New York, particularly New York City? You know, the police and firefighters and the mayor's office, you know, they have their own intelligence because we're so big and we feel the threat so intimately, but obviously the coordination with all of you is equally critical.

So, can you kind of explain where we are in all of that thinking now, and what the sequence would be?

MCHALE: Senator, I'd be happy to. And I think General Eberhart would probably want to comment then, perhaps, on air threat levels and some of the operational matters that fall within his purview.

At the highest level, I can give you a complete assurance that we have made dramatic progress, dramatic progress in the last year, in terms of coordinating DHS and DOD activity. I'd mentioned briefly, a little bit earlier, that members of my staff now work full-time in the Homeland Security Operation Center out on Nebraska Avenue, completely engaged, 24/7/365...

CLINTON: Mr. Secretary, if I could just...

MCHALE: Surely.

CLINTON: ... stop you a second. Does that mean, then, if we see Secretary Ridge on television raising the threat level, that there's been an agreement and a sign-off in DOD on that increased threat level?

MCHALE: There certainly is coordination. There's not a sign-off, in that the statute does not give the -- the statute that sets the level, as I recall, the system of level, is the Homeland Security Act of 2002. And the secretary of defense doesn't have a veto; he doesn't have to sign off.

But I can tell you from my own experience and participation, there is robust communication and coordination before the secretary of DHS, and in consultation with the attorney general, raises it, let's say, from yellow to orange. The secretary of defense has full situational awareness of what's going on. And ordinarily, he or a designated representative -- at times it's been me in the past -- can participate in that discussion, as Secretary Ridge makes his statutorily assigned decision.

Now, the secretary of defense, within the NorthCom area of responsibility, decides our force protection condition. But he confers directly with his combatant commander. He discusses that issue, ordinarily, with General Eberhart. General Eberhart may make a recommendation. But the actual decision for force protection of DOD facilities is made personally and directly by the secretary of defense within the United States.

CLINTON: Well, of course, though, I'm concerned about DOD facilities; I'm also concerned about civilian facilities. And obviously, the assets to provide whatever additional support -- overflights, whatever kind of resources are needed -- are more likely to come from DOD than from DHS.

And so, at what point, General, do you get into that conversation? And do you then make the decision, or is that not yours to make?

EBERHART: I think what's important to note here why we're going to change the color code or the threat level. What is the threat? What do we perceive that would make us change?

And to give you an example, maybe it's a threat to a subway system. That may not be a reason to increase the air patrols.

So that's what Mr. McHale's referring to. As we talk about, what is the threat, and why are we changing the color code? Or why are we changing the force protection, or the anti-terrorism measures that we're taking?

If it is a threat that we think that we can deter, defeat, prevent by using a combination of things, then you'll see those two things running side by side, just like we saw over the holiday season. When you change the color code -- when we change the color code, we also change our force protection measures, our air patrols, the number of aircraft we have on alert, et cetera.

So I think what's important to note is, why are we changing it, and what is the relevance to what the Department of Defense could provide, and the Department of Homeland Security, and other law enforcement agencies can provide?

But now we're talking. Frankly, at the beginning, we were not. And so, we might read about a change in a color code. We might read about a change in the force protection. Now it's very well-linked. We know why, and we can take the appropriate measures.

CLINTON: Thank you.

SENATORS KENNEDY, LAUTENBERG AND CLINTON HOLD A NEWS CONFERENCE ON MEDICARE, 3/30/2004

CLINTON: Thank you very much, Senator Lautenberg. And thank you for this report which details and provides a time line of these actions by the administration and their allies in Congress.

Now, I voted against the Medicare bill for a number of reasons, the primary one being that I didn't think it provided an adequate prescription drug benefit, in spite of the claims of the administration and the bill's sponsors, and that the system that was being hobbled together would actually increase the cost of prescription drugs for seniors and everyone else, thereby leading to the undermining of Medicare and its eventual withering on the vine, as some of my memories of some of the former Republican leaders in this Congress suggest is their real motive.

So I think it's still a bad bill, and I applaud Senator Kennedy for his efforts, along with a number of us, to try to fix the shortcomings.

But there is a very important set of issues around how this bill was sold and passed that cannot be ignored. And I don't know what it will take to get answers to these questions, but I feel, along with my colleagues, a duty to pursue them, because this is a process that was fraught with misdirection, misinformation and outright dishonesty.

CLINTON: Today, I have sent a letter to President Bush asking him to respond specifically to the issues raised by the chief Medicare actuary, Richard Foster.

Now, as many of you know, Mr. Foster testified last week before the House Ways and Means Committee. In that testimony, he reported that he had informed the White House, as early as June of last year, that he estimated the Medicare bill would cost taxpayers \$535 billion -- \$135 billion more than the estimate that was generally accepted at the time.

In spite of the fact that the administration knew in June that the executive branch's chief actuary had pegged the real cost at \$135 billion more than what was being touted as the cost to fit into the amount that had been set aside by the administration and the Republican majorities to somehow craft a prescription drug benefit, the president persisted in using the \$400 billion figure, time and time again. There was no nuance. There was no range of estimates. It was \$400 billion. And he used that estimate as late as mid- November.

We also know that Mr. Foster was threatened with termination if he shared his \$535 billion estimate with members of Congress.

So the question I think President Bush should answer is, Did he know there was a higher cost estimate, or did his staff fail to inform him?

This is becoming a pattern in this White House. What did the president know, and when did he know it? And has he taken any disciplinary action against members of his staff who kept the facts from him -- if, indeed, he was not informed.

Now, if the president knew of the higher estimate, why did he choose to make it a secret and continue to mislead the American public?

This Medicare bill is one of the most sweeping pieces of legislation that Congress has voted on in a number of years, and it will affect the lives of millions of Americans. No matter what side of the fence you fall on -- whether you are for it or against it -- every member of Congress and every member of the public relied on the best possible information to reach a

conclusion about whether or not this drug benefit would be available and affordable for our seniors.

CLINTON: You know, one of the great losses that has occurred in this administration, on top of squandering the budget surplus and squandering the goodwill our country had after 9/11, is squandering the trust of the American people. The more we learn about how they do business on the other end of Pennsylvania Avenue, the more we realize how they breach the trust that should exist between the president and the American people for partisan, political and ideological advantage.

So I believe the president owes the Congress and the American people, particularly our seniors, an honest and immediate explanation as to what he knew and what he will do about the fact that he was misled and that the actuary was threatened with dismissal for sharing the information with the Congress.

I think this is as serious an issue as we have seen come before us in quite some time. It goes to the real heart of our democratic progress. It is not a marginal issue. It is not a side issue. It is right at the heart of the trust that has to exist to keep our system going, and the checks and balances and accountability that are necessary for open, transparent government.

LAUTENBERG: Thank you.

Senator Kennedy?

KENNEDY: I congratulate Senator Clinton for this letter and join with her to receive the responses by the administration and by the president. And I commend Senator Lautenberg, who's been a tireless advocate for seniors and has been a forceful voice for responsible action and answers on the distortions, misrepresentations and basic manipulations of these figures over the Medicare bill.

KENNEDY: The Medicare bill was a sweetheart bill for the drug industry and the insurance industry, and a raw deal for the Medicare recipients. It's a Republican attack on Medicare pretending to be reform, and its enactment was tainted by deception and by contempt for congressional procedure.

The White House is using the public funds to run ads touting it as part of the president's reelection campaign, and the ads themselves are deviously designed to look like legitimate news report.

The Medigate report we are releasing today is a list of legal and ethical violations that would be more appropriate in a police blotter than a policy debate. The devious tactics used to pass the Republican Medicare bill and sell it to the public should have no place in our democracy.

Investigations have been requested or are already under way by the FBI, the House Ethics Committee, the General Accounting Office, the inspector general's office in HHS, and the Federal Communications Commission. What we don't have is an apology from the president for the shameful tactics the administration used -- and is still using -- to get its way.

The administration is spending millions of taxpayers' dollars to try to turn this lemon into lemonade, but it won't work. The more senior citizens find out what is actually in the Medicare bill, the angrier they become. The more the American people learn about what's in this defective bill, and how it was passed and promoted, the more disgusted that they will be.

Again and again, on issue after issue, the Bush administration has broken the basic bonds of trust that any administration must have to retain the confidence of the American people.

This administration did not tell the truth about weapons of mass destruction in Iraq. It did not tell the truth about the No Child Left Behind Act. It did not tell the truth about jobs in the economy, and it has not told the truth about Medicare.

It's time to restore credibility and honesty to the office of the president. The American people deserve it, and in November, they will demand it.

LAUTENBERG: Thank you, Senator Kennedy.

I hope, Senator Clinton, that a question in the letter will be whether or not the president is also going to come through and tell us what the cost. Let him repeat it again and at the same time tell us what Mr. Foster's role was in concocting this story.

Questions?

QUESTION: Do you believe that Republicans on the Hill had access to this information?

LAUTENBERG: Well, I don't know that, but certainly after the House fiasco, they had to be asking some questions. I mean, there were arms twisted, arms broken, and seductive offers made to try to get people to vote for this rogue bill, we'll call it. And so, it's hard to imagine that people on our side -- we are left out, as you know, of conferencing and discussions between the two houses. So, well, I don't know.

Anybody want to conjecture on that?

KENNEDY: I think it's, myself, it's conceivable that the Republican conferees didn't have this information, and Foster himself has indicated that they gave that information to the White House. It's absolutely inconceivable.

KENNEDY: If anybody knows about the conferences, and having been involved conferences for some 40 years, knows that any administration, Republican and Democrat, that they have the best of the information, they always have the information, and they make that information available to the members of their party in these conferences.

That's the way it works up here. Everybody understands it. It's inconceivable to me that they didn't have that information. And Foster himself has indicated that he related that to the White House.

KENNEDY: Beyond that, the president has, within his power, he has the Council of Economic Advisers and he has the Office of Management and Budget. They both make assessments and evaluation of the cost of these, and they work with other institutions, the CBO as well, in the evaluation of various pieces of legislation. It's absolutely unthinkable, remote, inconceivable that they didn't all know exactly what was going on.

QUESTION: We've heard from you all on this issue a few times now. Where is the rest of the Democratic Caucus on this issue? How outraged are other members?

CLINTON: I think there is general outrage, and as with many issues that cause us to be concerned and even outraged, there's too much ground to cover with this administration, so we kind of, you know, divide up the labor.

It is hard to keep up with them and what they do. It's like an outrage a day. But there's a deeply felt sense of mistrust and disappointment, at the very least, and outrage, as I think many of us feel, that the administration seems oblivious to their obligations to deal in an open and transparent way with the members of Congress on both sides of the aisle.

LAUTENBERG: The Democrats all knew that there was something amiss here as soon as they laid down the date for implementation. It wasn't necessary, remembering that the whole -- the Medicare program was prepared in 11 months, starting from less available, convenient record keeping, computerized records at that time, than they have now. So this was the beginning of the hoodwinking of the American public.

So Democrats knew and they're all discouraged by what we've learned. Everybody talks about the fact that this bill has been increased in cost by more than 30 percent and that Foster was threatened and other conspiratorial actions take place on a routine basis.

QUESTION: You mentioned a number of investigations going on (inaudible) the FBI. When do you expect all those investigations to be complete? Do you expect them to be complete in this election cycle?

LAUTENBERG: Well, it be appropriate for the American public to note what is happening.

We know that a favorite activity of this White House is not to let the public know what's going on, whether it's letting contracts for work in Iraq or other places -- or, finally, I understand that Condoleezza Rice agreed this morning that she's going to testify. There are some conditions that have to be met. But they're always playing hide and seek and if you can find the information, it's over their corpses.

KENNEDY: Let me just add one other -- this Medicare bill was hijacked, hijacked by the Republican leadership and by this administration and by this president behind closed doors. And it is basically a program that is a sweetheart deal for the drug companies and the insurance companies, and a raw deal for every senior. And every senior in this country that finds out more and more about it, understands it. And that is something they are going to find out more about.

We are committed -- strongly committed to changing it and altering it. And we are going to bring those to the floor of the United States Senate. There's been introduction of legislation to alter and change it by our leader, Senator Daschle, which we are all in the support. And there's also been proposals by Congresswoman Pelosi, the Democratic leader in the House. And there have been a variety of other different amendments that have been advanced by Senator Clinton and Lautenberg.

But we are strongly committed to altering and changing it. We're looking for opportunities over the remainder. We're not just making these statements; we are strongly committed toward the changes.

LAUTENBERG: We've also sent a letter to the attorney general to look at things. I mean, there are several instances the provoke inquiry, whether it's the attempt to bribe the votes in the House, or to shut Mr. Foster down -- to threaten him; to continue to pretend that this bill is only \$400 billion, when there isn't anyone who believes that anymore.

And then to use taxpayer money to promote their campaign; the GAO, who we inquired of, didn't say there was a law broken, but it did raise questions about the propriety of these messages that were sent to the printers, to the TV stations and to the community at large.

LAUTENBERG: The mailing 36 million circulars printed at a cost of some \$9 million or \$10 million. It's profligate use of taxpayer money to promote what really, if you look behind the curtain, is an attempt to propagandize the election.

With all of the money that this president has raised -- shameful sums of money, realistically -- and then pretend to represent the public at large and try then to pass the bill on to the taxpayers. There's a lot of interest.

QUESTION: (OFF-MIKE) very serious charges, how would you like to see these dealt with? I mean are you...

LAUTENBERG: Quickly.

QUESTION: (OFF-MIKE) criminal charges, an apology from the president? I mean, what would you like to see that could rectify this?

KENNEDY: First of all, there's illegality. If there's not illegality, it is basically bad policy and wrong to be using the Medicare funds, which are scarce funds paid in by seniors, for political purposes.

We have one review that says that the particular sending out of the Medicare documents is not a violation of the law. There still hasn't been a ruling with regards to the video, which is the clearest, I think, example, of the violations of the law.

But irregardless of whether it's a violation it's wrong -- it's wrong to do this kind of a part.

People have said, "Well, really, we have other -- we've had the Clinton administration that used the information sent out on the Medicare." This administration has taken this to new heights and people that are watching this understand it.

So that is the first kind of issue and question.

Secondly, it is illegal -- it's illegal to withhold information from the Congress. That's absolutely illegal to do that. That has to be pursued.

And if, I believe, those not only in the administration but also in the White House did it, you would think that the White House would be investigating it because that's a violation of the law. And as Senator Clinton and Senator Lautenberg have said, that is the whole basis of a relationship between -- trust between the executive and the Congress in terms of our ability to be able to function and to exist.

So these are serious, serious charges. Some are currently in investigations that we would expect. Others we would expect to have at a very early possible time. But there has to be.

We saw this morning where Kofi Annan asked for resignations because of failure of living up to responsibility and security. We want to see responsibility here and accountability, in terms of protecting our seniors on the prescription drug and protecting Medicare. That is a matter of, in many instances, life and death for seniors.

END

U.S. SENATOR GEORGE V. VOINOVICH (R-OH) HOLDS HEARING ON AIR QUALITY, 4/1/2004

CLINTON: Thank you, Mr. Chairman, and thank you so much, Administrator Leavitt, for being here once again. I so appreciate the cooperative relationship that we have developed and look forward to working with you.

Before I arrived, I was told that there was a chart -- I don't know if it's over there in the chart collection -- which showed that the gross domestic product has climbed as emissions have declined. Is that it?

You know, I think that proves the point that economic growth and environmental protection go hand in hand, that to choose one over the other is a false choice.

But I'm concerned that in the testimony today and in some previous administration testimony, the fact that we have made progress at a period of time both economically and environmentally is being used to argue that we can change direction now. And I worry about that.

And I have a specific question because in the work that I've been doing on environmental health, and I know Senator Jeffords made reference to this and we're going to have an excellent witness, Dr. Thurston, on the next panel to talk about the results of very important

research, we know that the public health costs of not providing more clean air requirements are going to be severe.

And along with that, I understand you're on the verge through EPA of providing guidance to the states as part of a permitting process that would actually limit the options that states can consider when applying best available control technology to new coal-fired power plants.

If I understand the guidance, it would prevent states from considering fluidized bed combustion or even integrated gasification of coal, both of which are substantially cleaner and more efficient than conventional pulverized coal.

Mr. Administrator, why would the agency limit the states' option since what we're trying to do, as you just eloquently said, was to have neighborhood so-called state responses? Why would you limit the states' options and curb the development of these and other important new technologies?

LEAVITT: I'm going to confer, because I don't know what...

CLINTON: I do that a lot.

(CROSSTALK)

LEAVITT: ... decision on any guidance at this point.

Senator, we've made no decision on that point. Our basic philosophy at the agency is national standards, neighborhood solutions. That is to say we need to optimize the number of tools that are available to people who need our high protective standards.

May I echo what has been said about the link between economic prosperity and environmental progress? Without economic prosperity, environmental progress ceases. There's nothing that fosters pollution like poverty. And we see very clearly at the Environmental Protection Agency that link, and it's for that reason that our purpose in this national strategy is to accelerate the velocity of our progress, but to protect our national competitiveness as we do it.

CLINTON: Well, I'm delighted to hear that no guidance has been formulated. And I would strongly urge that we do everything possible to incentivize new technology. Because in your testimony, and I quote, you state, "Our past experience under the Clean Air Act suggests that development of cleaner technologies, which is continuing on many fronts, will help even the areas with the most difficult pollution progress at a reasonable cost in new ways we cannot identify today."

And I could not agree more, and I am one of those who think that we could have a job explosion in this country with clean energy, with smart technology, with pollution control devices. And anything that EPA can do to try to incentivize that, I think would have tremendously positive effect.

CLINTON: But I know that when we tighten the environmental and public health standards, we drive the private sector to innovate, and we've had some very positive results from that. And the cost of pollution control then comes down in ways that we couldn't have foreseen when the standards were set.

But that leads me to a follow-up question, Administrator Leavitt. Why do you think that this experience applies to the control of ozone and particulate matter emissions, but not to mercury emissions? Why are you backing a mercury rule that will not result in mercury-specific emission controls on power plants until 2018? Because if you follow the thinking that I agree with completely in your testimony about what we can do to force the private sector to innovate, I would argue strongly that just squarely impacts on what we could make happen with respect to mercury control as well.

LEAVITT: Senator, the discussion on mercury has occupied a great deal of my attention. It's something I feel deeply about on a personal basis.

There have been a number of what I will term for the purpose of description, been a number of fictions that have crept into this discussion, and I think it would be valuable for me to clarify them.

One fiction is that the EPA does not view mercury as a toxin. The fact is mercury is a toxin, and it needs to be reduced. Another fiction is that somehow the agency is seeking the administration to roll back standards. The fact, there has never been a standard. This will be the first time that we will have regulated mercury from power plants in our nation's history, and we want to do it and we want to do it right.

The third fiction is that someone previously had indicated that we could do it by as much as 90 percent. Senator, I have searched the records of the agency and I can find no place where a person in the agency, representing the agency indicated that was possible. And if they did, they were misinformed.

The next fiction is that it's possible between now and 2007 to get a 90 percent reduction on mercury from power plants. I've spent an enormous amount of time with the engineers and the scientists who not only understand this but who invented it. And it's become very clear to me that as optimistic as I am about the mercury-specific technology, particularly activated carbon injection, which I think is clearly the way we'll get to large scale reductions, that it will not be adequately tested nor widely deployable until 2010. Now, that is as close to a fact as I can provide you.

Another fiction is that we're somehow putting off the reductions until 2018. The fact, we're considering two mercury rules right now, one that would be in keeping with the mercury MACT, which would have to be by 2007; and the second or what we think is a more aggressive and in our opinion a better way, which would allow us to reduce it by 70 percent using a cap and trade system. We believe it gets more and happens faster, but we're receiving comment on both and trying to learn about both.

But in both cases, in both cases, there are short-term objectives that have to be met on mercury, and we have no interest or intention of putting off our action on this until 2018.

CLINTON: I thank you very much for that answer, Administrator Leavitt, and I look forward to, you know, further engagement with you on this issue, because I appreciate the fact that it is a toxin that I worry about the cap and trade system creating hotspots that will have very damaging effects on the people who are directly impacted by those particular emission forces.

And so I look forward to having an ongoing discussion about this, and I just would hope though that we would keep in mind the fact that we've been quite successful in not only reducing emissions but creating technologies that have had spin-offs and very positive economic effects.

And I'll just conclude by saying that, you know, if you look around the world right now, the Japanese, the European Union, they intend to corner the market on clean technology and pollution control devices. They are going to have a tremendous economic comparative advantage over us in this technology. I think that's unfortunate. And of course, it's being driven by government policy, just not by the market because with any new venture, often times you need some support for investments and the like.

And so I just think we're missing the boat by not being really aggressive in creating incentives and regulations that will both lower pollution and also trigger the development of technology.

Thank you.

VOINOVICH: Thank you, Senator Clinton.

Mr. Administrator, I'd like to say that I believe that the new rules that you're going promulgate are ambitious in terms of cleaning up the environment and its impact on public health, would you say that?

LEAVITT: Senator...

VOINOVICH: Yes or no.

LEAVITT: Yes.

VOINOVICH: OK.

LEAVITT: Absolutely.

VOINOVICH: All right. And Clear Skies, the legislation that I've introduced on behalf of the president and Senator Inhofe is ambitious in terms of reducing emissions and also the impact of emissions on public health.

LEAVITT: It would be the most aggressive this nation's ever had.

VOINOVICH: OK.

LEAVITT: I would like to say that this gross domestic product, picking up on what Senator Clinton had to say, is very robust. But the world has changed in the last four or five years. The world has changed. Competition from China and from other countries around the world have impacted on us.

The litigation tornado that's cutting through the economy of the United States of America is having a negative impact on jobs in this state, in this country, and particular in my state.

Health care costs are soaring and making our businesses a lot less competitive than they were before.

Natural gas, we had a hearing last week on natural gas. We're having people move out of this country because of the fact that we've limited the supply of natural gas and exacerbated the demand for it, and it's devastating my state.

And I'd like to say that I think the economy has changed in America today. And I'd love to have that kind of growth, but we're not by ourselves anymore. We're competing now in a global marketplace.

And now the mercury issue, President Clinton and the EPA administrator, and I don't want to get partisan here, but I'd like to get the record clear, did nothing on the mercury issue for eight years. Two days after the Supreme Court ruling on the election, they issued a regulation that said mercury should be regulated and left office.

OK. Eight years, the day after the election said mercury shall be regulated. But if it was such a big problem, why didn't we deal with it two years before, or three years before, or four years before?

And President Bush came into office and he didn't shy away from the issue. He developed the first-ever proposal to reduce mercury emissions since being picked at by a lot of people in this country.

Now, Mr. Administrator, you and I have talked and my concerns about the mercury rule is it could disproportionately affect one region of the country over another and further exacerbate the natural gas crisis by causing us to fuel switch. And that gets into the issue of lignite coal and bituminous and sub-bituminous. And I went through this when I was governor in terms of the acid rain provisions of the Clean Air Act where they set up the rules so that it would advantage one area of the country over another.

And I'd like you to just talk about those mercury rules and what are we doing about this problem?

LEAVITT: It is not our intention nor will we be issuing regulations that will affect the coal distribution or the sale and purchase coal on a regional basis. One of the criteria for me is that we do this in a way that will allow us to protect our economic competitiveness.

Very clearly, I think what that graph shows is that without economic vibrance, environmental progress does not occur. And we have to accelerate the velocity of environmental progress, but it has to be done in a way that protects our economic competitiveness. And the key to that is new technology, collaborative work, focusing on results and the use of markets.

One of the criteria is that we've got to assure that when we move into these in the regulating mercury, that we do it in a way that does not require fuel switching, because ultimately that would not work to our advantage as a country.

VOINOVICH: I'd like to emphasize one other thing. And that is, in your testimony, you talked about tremendous progress is possible because we're putting forward a number of air quality improvements that are about to become effective and will soon be adopted. The proposed Interstate Air Quality Rule that you talked about, which should be even more dramatic, cuts in power plant pollution, you get a lot more with legislation, I think. The NOX SIP Call with states we're implementing to reduce power plant emissions, that's under way right now. Our power plants are dealing with reducing NOX.

Standards for new cars and light duty trucks in the fields that they use, and that's one of the questions that I think that you're going to have to answer is, how effective is emission testing? We have a big debate in our state again. Are we going to continue emissions testing and how good is it?

We have new automobiles out today that they're so much more cleaner than before, so we're interested in that. And if we don't have emissions testing, what other things should we have to do in order to meet the standards?

Standards for heavy duty onroad diesel engines and the fuels they use, that's coming on board right now. And you're also starting this new program in terms of buses, which is another issue, and we really need to move on that -- construction, agricultural, mining, airport and the fuels they use, voluntary diesel retrofit (inaudible) programs, which are thought to reduce emissions from the existing fleet.

So you are moving forward with some pretty significant things. And a lot of these things, in all fairness, started out before you came onboard. But there's some significant stuff going on out there and I just, I think, it's really important that we make it clear. And what we're trying to do is clean up the air, reduce its impact on public health and, at the same time, have an economy that provides jobs for our people so that they can take care of themselves and their families and we have vibrant communities. That's what we're trying to do here.

Senator Carper? Senator Jeffords?

JEFFORDS: Yes, Mr. Chairman, I have two additional questions I would like to ask.

Clear Skies or this proposed Interstate Air Quality Rule won't really start getting serious reductions for a decade or more from now, perhaps 2015 at the best. Most PM 2.5 and most ozone attainment areas will need those emissions reductions to take place by 2010 or sooner to achieve attainment by the deadline.

The Ozone Transport Commission has proposed much lower SOX and NOX caps in earlier deadlines that would help the region to attain on time. If the goal of the administration's proposal is to provide maximum reductions from the most cost-effective sources, that is power plant, to help states in areas reach attainment, then why are the deadlines so late and the reductions so minimal?

I know this isn't a labor shortage issue, because there will be plenty of boilermakers available after 2007 or even earlier, assuming EPA keeps the NOX SIP Call on track.

LEAVITT: Senator, I have very good news for you.

The vast majority, a very high percentage of the benefit of the Interstate Air Quality Rule, happens in the early years. A very high percentage of it coming before 2010 on the ozone and the fine particle rules, very high percentage of our communities will come into complete attainment prior to 2010. So we have front-loaded these. There's serious progress that's going to occur, and it'll happen soon. There will be more pollution taken out of the air faster than any time in our nation's history.

We have a national strategy that increases the velocity of our environmental progress. But it does it in a way that will protect our economic competitiveness. This is a solid national strategy. It's not one that I don't take responsibility or rather when I say, "I don't take responsibility," I don't take credit. This is something we've worked on as a country. The progress that we're continuing over the last 30 years is historic.

There's been a new environmental maturity that's come across this country that we'll now build on because we've picked the low-hanging fruit and it's going to require that we use technology and collaboration, neighborhood strategies, that we focus on results not just processing through these programs, that we're using markets that will incent people to do more. There's a great link between the incentives that are being created by cap and trade system and the development of technology.

I agree with Senator Clinton, this is a huge opportunity for us economically in the world and the best way for us to create incentives is to give people a reward when they achieve a technology that gets results that can be exported to the world. On many of these pollutants, we benefit when others in the world deploy the technology. Mercury is a great example.

We produce a very small percentage of the mercury in the world. We need to be an example and a leader and aggressive in doing it. But if we have technology, if we have ACI technology that's fully implemented, let's get it to the world. It puts Americans to work, it will clean up the air, it'll clean up our waters. Women who buy tuna fish for their children will have the safety of knowing that not only are we doing it in America, but American technology is being exported to other countries where the mass majority of it is produced.

JEFFORDS: I appreciate that enthusiastic answer.

Under the Clear Skies, like cap and trade scenario, EPA predicts that approximately 200 power plants will not have applied advance pollution controls for NOX, SOX, or mercury by the year 2020, largely because of emissions, banking and trading.

Yet MACT requires that each and every unit at every power plant reduce emissions. How could the cap and trade proposal for the mercury possibly be more protective of public health than MACT at every unit?

LEAVITT: This is actually a matter we're taking comment on right now and trying to learn about. The concern you're expressing is whether there's a localized effect on mercury from a power plant, and we want to learn about that. A lot of that concern was expressed in the acid rain debate. It didn't turn out to be the same kind of a problem. But if there are health effects, we need to study them. We need to understand it to learn about this, and that's part of what we're receiving comment on right now from tens of thousands of Americans at public hearings across the country because we want to be responsive to that.

JEFFORDS: Thank you, Mr. Chairman.

VOINOVICH: Senator Carper.

CARPER: Thanks. A month or two ago, I mentioned to you in a conversation we had that near the end of the Clinton Administration, an energy efficiency standard was adopted for air conditioners called SEER 13, and I think it was adopted in the year 2000. It called for air conditioners to become 30 percent more efficient in their use of energy by the year 2006.

During I want to say maybe the second year of the Bush Administration, maybe it was 2002, a less rigorous standard was adopted called SEER 12 -- the Clinton administration's was SEER 13. The SEER 12 standard calls for more energy efficient air conditioners, 20 percent more efficient by 2006. It ended up, as I think I've mentioned to you, a court battle. It ended up in the 2nd District Court, federal court. And the court ruled a month or two ago that the more rigorous standard, the SEER 13 standard, should stand.

A number of us here in the Senate had signed a letter to the president last month urging the administration not to appeal the 2nd District Court decision. We have consulted with some of the air conditioning manufacturers in this country. And late last month, their trade association went on record as saying that they felt they could live with a more rigorous SEER 13 standard by 2006.

A majority of us have called on the administration, Democrats and Republicans in the Senate, to simply say, we're not going to appeal the 2nd District Court decision. Let's get on with adhering to a more rigorous efficiency standard.

I'm told if a more rigorous standard stands, that come 2020, we will have to build 48 fewer new electric power plants. Most are going to be built with natural gas. But by having a more rigorous conservation standard in place, we'll reduce by as many as 48 fewer power plants our need.

In addition, I'm told by 2020 that CO2 emissions will be reduced bi-annually by 2020, 2.5 million tons simply by putting in place this more rigorous standard. In our conversation earlier, I've urged to you in your position to work within the administration to try to convince your colleagues and the president not to appeal the decision.

I have no idea if you can give us an update today on where the administration is taking it, but if you could, I'd welcome it.

LEAVITT: As I think you're probably aware, this is a rule-making that's being conducted at the Department of Energy. And therefore, it's one of the few controversies the Environmental Protection Agency doesn't seem to be in the middle of right now.

May I just add that during the time I was governor, we lived through a couple of western energy crisis where the primary focus of our attention became energy conservation. We began to run campaigns probably asking people not just to use more energy efficient devices, but to reduce their energy. And we accomplished it in one particular summer by as much as 20 percent; huge impact economically, a huge impact in terms of environmentally.

I'm not able to comment on the specific standard. I don't have information, but may I just say that in terms of national strategy, that learning to conserve energy is a very powerful tool in being able to meet our national, economic and cultural goals.

CARPER: I've asked you privately, I ask you publicly to use your influence within the administration and had a similar conversation with our Secretary of Energy. I'd ask you to use your very considerable influence within the administration to convince our president to simply say, the decision's been made, the courts have ruled, and we're going to live with that.

To go back, if I could, with to something raised by Senator Clinton. I've heard rumblings as well that our government, our federal government, presumably EPA, may not be interested in moving the utility industry toward greater utilization of clean coal technology, fluidized beds, coal gasification efforts.

The technology has been around for a long time. My understanding is its been implemented in a rather limited way. I think there may be one or two operating coal gasification plants. I'm told there were a couple of others that were actually formally proposed or are really actively being planned.

We exist as the Saudi Arabia of coal, as you know. We've got more coal than probably the rest of any other country in the world. We have the technology that allows us to use it in ways that are environmentally friendly. But yet, I don't sense a sense of urgency or priority from the administration or really from the Congress, that by golly, why don't rather than just continue new natural gas plants and jacking up the price of natural gas, why don't we find ways to implement the technology -- commercialize it?

I think and you said in response to Senator Clinton's question that there's no decision made. I think one of your colleagues handed you note. And now he's handing you another note.

(LAUGHTER)

But I'll tell you, it would be very encouraging to hear you say -- that makes a lot of sense, it certainly passes the common sense test for me -- to hear what you plan to do to move us down that road.

LEAVITT: I'll read you the note and then comment.

(LAUGHTER)

This is the guidance on the News Source Review for new plants, and we require them to consider new technologies, I have not received recommendation yet, but let me comment philosophically.

I can (ph) break into song over this matter. I don't think we would find any disagreement at either of our tables today about the fact that if we can produce zero emission coal in this country in a generation of electricity, it is a powerful driver of our economy. And it ought to be and it is a priority. The administration is committed to a billion dollars for a project called Future Gen. It's a collaboration between the industry and the Department of Energy. EPA is involved in it, our labs are involved in it, another reason I'm anxious to have you at our labs in North Carolina.

CARPER: Maybe Senator Voinovich will come with us.

LEAVITT: This would be a powerful driver...

VOINOVICH: I'll do it.

CARPER: Call the travel agent.

LEAVITT: This would be a powerful driver of the American economy. We have rich resources of fuel of coal. Without using them, we put upward pressure on natural gas, which is having a substantial impact on larger areas of our economy and keeping us competitive.

It is a priority. It needs to be a priority. We can, in fact, I believe, in the course of the early part of this century, produce the capacity to generate electricity with zero emissions from coal. And if we do it, it'll be a driver not just in our country but in the world economy, and we'll be the leader.

VOINOVICH: Thank you. I'd just like to say that Ohio University, my alma mater, is the leader in the country in Clean Coal Technology. And they are so excited, and so is the Ohio Air Quality Authority on Future Gen, with its potential. Thank you for the initiative.

I would like to just editorialize and say it will also help if we could get an energy bill passed because there's lots of stuff in the energy bill that deals with clean coal technology and moving us in that direction.

We're going to have a cloture vote at 11:30. Senator Clinton, you still have some questions that I'm sure you would like to ask. And we will try to wrap it up after Senator Clinton so we could get the other witnesses on before we have to go down and vote on the cloture and then come back and ask questions to the next panel of witnesses.

Senator Clinton?

CLINTON: Thank you very much, Mr. Chairman.

Mr. Chairman, I would like to submit for the record a letter that is going out today to Administrator Leavitt from 45 senators, including three Republicans, asking that EPA, with respect with the mercury rule, withdraw the entire proposed rule package, and re-propose a rule for adequate public comment that meets the terms of the 1998 settlement agreement.

I agree with the chairman that this has been going on a long time, but the sequence of events are such that the 1990 Clean Air Act legislation mandated the study. It took longer to do than it was anticipated. Originally it was thought to be a three-year study. It turned into a five-year study. Shortly after the study was completed, the NRDC sued the EPA to force action and then proceeded to have a long drawn-out negotiation.

There was a settlement reached in 1998. And under the terms of the settlement, the final rule was, not the final rule, but the rule were to be promulgated by December 2000. And of course, that was shortly before the end of the Clinton Administration and it's to the Bush Administration's credit, although it is under a court order, to proceed with mercury rule-making, and that is what we all want. We want good mercury rule making that makes a difference in the atmosphere. And I think however we got here, whatever the sequence happened to be, we need to proceed as expeditiously as possible. And there is considerable concern, on the part of 45 of us, about the proposed rule.

In addition, I know that there was a recent white paper issued by the EPA's Office of Research and Development on mercury control technologies last week. And the paper cast doubt on most of the agency's arguments regarding the availability of technology for mercury control and potential emission reductions.

I would also, Mr. Chairman, like to submit "The Control of Mercury Emissions from Coal Fire to Electric Utility Boilers," a report done by the Office of Research and development from the EPA -- from the Research Triangle Park, North Carolina, for the record. Because this...

VOINOVICH: No objection.

CLINTON: Thank you.

This report says that existing widely use technology, such as fabric filters, could achieve a 90 percent reduction of mercury at bituminous coal plants and 72 percent removal at sub-bituminous. And if you added a wet scrubber, the reduction is 98 percent.

It further says that activated carbon injection technology, which can be added in one year's time, can achieve 70 percent reduction in mercury from all coal types by 2010; adding a fabric filter to that, which can be done in two years, achieves a 90 percent reduction.

This is without new technology. This is, you know, not even going as far as Senator Carper and I would like to see, but using existing technology.

And I hope, Administrator Leavitt, as you do study this important rule, you'll take a look at this report. I don't understand a lot of it, it's very technical, but I know you have lots of people around you who do, and really calculate the cost of this.

Now I'm one of those who have long advocated, you know, doing whatever we could to incentivize the utility industry to take these actions. This is a public health issue. This effects all of us. The numbers of people who are going to be impacted by the continuing level of emissions is such that we're paying on one hand for health care costs when we could be trying to find a way of acting much more efficaciously and cost effectively to deal with this problem at the source.

CLINTON: So again, this letter from 45 senators, including three Republicans, will be on the way to you. But the bottom line is, we just all need to work together to get this under way.

And I think that there is a perception that you are very thoughtfully trying to go through all of this. And I don't in any way doubt that, because I trust you to really take a hard look at all

of this. But there are other factors at work. There are other concerns and special interests at work.

And it's just so important that we go as far as we possibly can technologically. If there are costs associated with it, let's honestly look at those costs. Let's not end the rule-making at a point less than where we should just because there are costs attached to it. Let's figure out whether there's a way we can, you know, help to defray them or deal with them.

But it's so critically important, so I thank you for your consideration.

LEAVITT: Senator, quick responses on both of those.

As you indicated, I am under a consent decree to act by December 15, 2004. Given the nature and complexity of this, we're moving forward with all rigor to assure that we get there, and it's my intention to do it in a way that will serve the best interest of the American people and those who have, as we all have, concern.

This turns in large measure around the technology.

That paper you have, I've read. And I have been doing all I can to understand it, and I've had a chance to spend enough time crawling around the blueprints of power plants to begin to know more about than I expected I would.

But I would just make this conclusion. There are places and ways that you can use other technologies to get high percentages, but they're unique. In the Northeast, for example, New England, there are a couple of power plants that achieved high level. And they do it by bringing in coal from the Philippines and they've been able to use particular combinations of circumstances that allow them uniquely to do it. But you can't deploy that over 1,200 power plants.

ACI technology is what we have every reason to be optimistic about. And so far, we have used ACI technology on medical waste incinerators. And we've used them very effectively, and we've been able to achieve almost 90 percent on medical, or rather on municipal waste incinerators.

We haven't had that experience yet on coal-fired power plants. In fact, we've never put ACI technology on a coal-powered power plant and had used over a period of time sufficient to know that it'll work with all kinds of coal with all kinds of circumstances.

And if we're going to be asking the American people to invest billions into this technology, and we are, we ought to make certain that it works.

And so the reason that we're at the 2010 conclusion isn't because it doesn't exist. It's because we have to have it adequately tested and widely deployable. And there's lots of, as you said, lots of considerations.

My purpose is to do this by the time the court has ordered me to do it, and to do it in a way that will clearly make the biggest gains we can, but do it in a way that it'll also keep the economy -- protect our competitiveness. And I believe we can do that.

And as you've suggested, technology's the key, but we ought not to move until we have the technology. Because once we do, it'll take care of the problem.

VOINOVICH: Thank you, Administrator.

I'm delighted to know that you're getting into the issue of mercury, because there is a big debate out there about where the technology is, and there are some that argue that co-benefits from NOX reduction of emissions would do a great deal to reduce mercury. But then how do you go to the next step?

And with a letter coming from many of my colleagues, you're going to be in the eye of the storm on this one. And again, it's good science that will make that will make the difference here.

Thank you very much for being here. We appreciate the new leadership that you're bringing to the environmental protection agency. Thank you for your conscientiousness and your commitment to making our air cleaner and minimizing the impact on public health, and also understanding that we've got to do that within the framework of the economy of this country. And right now, jobs, jobs, jobs. Thank you.

CLINTON: Mr. Chairman, if I could correct the record, it's seven Republicans, not three.

(LAUGHTER)

VOINOVICH: I'll bet they're from the northeast.

CLINTON: That's right, not all of them, though. John McCain is on there.

[GAP - FROM LATER IN HEARING]

CLINTON: I'd like that to continue. Maybe we can reach a deal here, because clearly, as is evident, there are strongly held opinions on all sides of this. And the bottom line for me as I keep saying over and over again, is that I think we are spending money in other areas that we don't need to spend because we have not figured out how to incentivize those who are responsible for the emissions, to move more rapidly to clean them up.

I mean, I just don't understand why this is so complicated. I just believe that there are solutions out there that for whatever reason we seem to be dug in on different points of view.

My bottom line, too, is that I'm deeply concerned about the health effects. And the more studies that are done, the more we know how much we are paying in health care costs because of the effects of particulate matter and ozone -- one of the other studies that has been done, also published in the Journal of the American Medical Association last October, looked at 271 children under the age of 12 with active asthma in Connecticut and Massachusetts and measured their response of two air pollutants, ozone and very small particulate matter.

And what they found, the key finding is that a one-hour exposure to air containing 50 parts per billion of ozone caused a significant increase in wheezing and chest tightness in those children and increased their use of symptom-relieving drugs.

So, in other words, ozone exacerbates asthma in children at concentrations below the current one-hour level of 120 parts per billion, and even the new eight-hour exposure standard of 80 parts per billion.

Now, it's absolutely true that New York City metropolitan area is a non-attainment area under the one-hour ozone standard. It will be a non-attainment area under the eight-hour standard, and we have an epidemic of asthma. The highest concentration of asthmatic children in our country are in Harlem and parts of the Bronx.

And as Dr. Thurston said, if we could eliminate every source of pollution that we had any control over, if we were the given tools to do that right now, if we could wave a magic wand in every taxi cab and truck, and move to clean fuel or clean diesel, whatever it might be, if we could control every emission that we had within the boundaries of New York City and New York state, we would still not meet the attainment standards.

So this is a national problem, and Dr. Thurston, the one chart you showed about ozone air quality, I think that's a chart that shows ambient concentration.

THURSTON: That's correct.

CLINTON: That's right. And so yes we can see national standards of decreasing NOX and SOX, but if you look at the map of the country, if you take those national standards, yes, we are doing a good job in seeing it fall in many parts of the west because they don't have the wind currents, they don't have the industrial sources.

But if you look at southern California and you look at east of the Mississippi and you go to places like Cincinnati or New York City, you see concentrations of particulate matter and ozone -- and here, the ozone air quality is what this chart is - and that the concentration has not decreased.

In fact, from '83 through '92, it decreased 18 percent. But from '93 to '02, it increased four percent.

So I think that we have a problem in the eastern part of the United States, and we're not acting in an expeditious manner to deal with that. And I respect totally the chairman's commitment to jobs, and he knows a lot about this. He was a very successful mayor and governor, and the state he represents is one of the, you know, economic engines of our country.

I just honestly believe that it is not an either/or issue, that we can do both. And I understand Mr. Fisher's point about, you know, places that you're trying to recruit jobs that are from other parts of the country saying well, you know, maybe instead of going to Cincinnati because you're a non-attainment area, we'll go to Austin, Texas, or we'll go to Las Vegas, Nevada, because if you look at the figures, they're doing better.

Well, they're not doing better because of solely actions they've taken on themselves. They're doing better because of national conditions that you have very little control over in Cincinnati or that we have little control over in New York.

So I know that this remains a point of contention and disagreement about the best way to proceed. I think everybody shares the same goal, but we are gridlocked. And it's unfortunate because, you know, we are seeing increases in concentrations of ozone and we're seeing impacts on health that are costing us money.

And I would like to, if I could, ask the panelists perhaps to, you know, clarify in writing, because we've got to go vote, any other suggestions you have.

I've read your testimony, but it's quite a general testimony. And that's the way it is, you know, I understand. But perhaps on behalf of not just yourself, Judge Eckels, but, you know, the National Association of Counties; and perhaps, Mr. Fisher, on behalf of, you know, the chamber and others; and certainly, Dr. Thurston, because, you know, we are too smart a country not to figure this out.

And, you know, with respect to some of our competitors like China and India, we have no leverage over them, and I think we've got to develop some other means of trying to...

THURSTON: Couldn't we get U.S. companies that are building plants abroad to behave responsibly and build plants that meet the standards that we meet here?

CLINTON: Well, I think that's...

THURSTON: Is there any way to do that?

CLINTON: No. But, I think there are ways through trade agreements and through perhaps invigorating some kind of international effort. We've obviously put Kyoto aside, and there were good reasons in many minds to do that because there was no real standard imposed upon the developing countries. But now I understand China has moved to impose some standards of its own with respect to emissions.

So we should encourage that. We should provide incentives and assistance for that.

THURSTON: Or we should provide the technology that they can use and that's where we can get jobs out of the environment, that we can gain jobs by being first with the technology that others will use.

CLINTON: Well, I agree with that, and I'm very fortunate to represent some companies in New York that have a lot of this technology are hoping to have a national market some day, and are looking for an international market. But right now, there's not very many incentives to really do that.

But Mr. Chairman, we'll keep working on this and we'll hopefully come up with, you know, some consensus at some point, I hope in our lifetime.

Thank you.

VOINOVICH: Thank you.

I'd just like to say, Mr. Thurston, in terms of the Future Gen Project, I think you heard mentioned earlier, that that is, I think, a very good initiative. My feeling is that we should develop our clean coal technology, we should use it, we should take advantage of it, we should sell it or give it away to other nations so that we help reduce their emissions and deal with the problem of global warming.

THURSTON: I agree with you on that.

VOINOVICH: OK, good.

I just want to thank you all for coming. I'd like to mention that the National Association of Manufacturers wanted to be here to testify and weren't able to. And I'm going to insert this in the record without objection.

I would hope that the three of you, if you get other questions from the panel, would be willing to answer those questions in writing and get back to us.

And last but not least, Judge Eckels, really, as former chairman of the National Governors Association, president of National League of Cities, as you know, there are a lot of good things that we did together as a team. We were able to get the TANIF of legislation passed, the unfunded mandates and a lot of other things.

And I think it's really incumbent on the national organizations for you to get together and come back here with your thoughts on where we're going and how we ought to get there.

ECKELS: We will have that for you, sir. Thank you.

VOINOVICH: Thanks very much.

END

U.S. SENATOR MICHAEL D. CRAPO (R-ID) HOLDS HEARING ON D.C. DRINKING WATER, 4/7/2004

CLINTON: Thank you very much, and I want to thank you and Chairman Inhofe for this hearing. And I particularly want to thank Senator Jeffords for his strong interest and leadership on this issue.

I'll submit, with your consent, the entire statement for the record, but I want to make a few additional points.

There is no safe level of lead. And recent studies, one concluded last April, published in the New England Journal of Medicine followed 172 children in Rochester, New York, and measured blood-lead levels at six, 12, 18, 24, 36, 48 and 60 months and tested their I.Q.s at 36 and 60 months.

The study found that most of the reduction in I.Q. attributable to lead occurred at blood levels below 10 micrograms per deciliter, which is the level that the Centers for Disease Control considers to be the threshold level for health effects. Researchers found that I.Q. scores of children who had blood-lead levels of 10 micrograms per deciliter were about seven points lower than for children with levels of one microgram per deciliter.

An increase in blood-lead levels from 10 to 30 micrograms per deciliter was associated with a small additional decline in I.Q.

While this is only one study, there are a number of other research findings that suggest what we currently consider to be a safe level for lead is, in fact, too high. And that underscores the seriousness of the issue we're here to talk about today.

Lead exposure comes from a variety of sources, and lead in drinking water accounts for only about 20 percent of lead exposures. But if no level of lead is safe, then any source of lead needs to be taken very seriously.

And to the D.C. residents who are here, that includes many of us who serve in this body who live part time, at least, inside the District boundaries, I think you have a right to be disturbed and have an absolute right to have your questions answered.

I don't think it's productive in this hearing to try to assess blame, but at some point, we need to get specific questions answered.

Why did WASA not notify residents about elevated lead levels as soon as it had the test results? Why did the D.C. Health Department not engage in this issue when notified of the problem? Why did EPA take so long to get involved?

How is it possible that WASA, or no agency, has accurate records about who has lead service lines? And in the absence of such records, why is WASA refusing to provide water filters to homes for which it does not have information one way or the other?

These are just some of the questions that I have. I look forward to this hearing.

But I just have to conclude by saying that one of the great benefits of living in our country over many, many decades has been we could count on the water we drank and the food we ate to be safe, much more so than in other countries in the world. And for the capital of our nation to have this problem is deeply concerning.

And I'm grateful we're having this hearing. And I also look forward to working with Senator Jeffords on his legislation.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

I'd like to ask each one of you to answer two questions briefly for me.

Number one, looking backward, what mistake did you or your agency make in handling this matter? Looking forward, what is the one thing that you believe should be done in order to remedy the situation we find ourselves in?

Why don't we start with Mr. Jacobus?

JACOBUS: Thank you, Senator Clinton.

We have a wholesale retail relationship with our customers. Every day we have great visibility over the bacteriological content of the water throughout all three distribution systems: Arlington, Falls Church service area and the District of Columbia.

We test the water in our laboratory from samples at the plant, samples from the distribution system, either that we take ourselves or are brought to us for 35,000 or 40,000 tests a year. We have great visibility on the bacteriological and the chemical contaminants in the water leaving the treatment plants, disinfection, byproduct, rule compliance, all of that.

The mistake, to answer your question, is that we did not have the same visibility for the lead and copper samples. The samples are taken at a different way. They're taken throughout a period of the year; it's not a go, no-go on each individual sample.

And so, we did not have all of the samples collected at our organization. They were at the different locations in two different jurisdictions under the state of Virginia's Health Department and EPA's regulatory responsibilities for the District of Columbia Water and Sewer Authority.

So we had the ability, and we will take the initiative to bring that data together so that we can help all of our customers and give them the benefit of our system-wide look.

So, even though every day we paid attention to the optimal corrosion control treatment, and that the water leaving the plant was at the specification for what we had agreed in our scientific-based study with EPA of how to treat the water and we were getting anecdotal evidence occasionally of a high reading, it wasn't until really in the spring of 2003 when EPA, reacting to WASA's results in 2001, 2002, said, "Look, we need to open this and start looking," so we started down that road.

So we did not have perfect knowledge of the big picture. We can get that knowledge even though it's regulatorily not required because we think it's a responsible thing to do.

So I hope that answers your question.

CLINTON: It certainly does. And I appreciate that. And perhaps it would help if it were regulatorily required, so that at least all the players, all the stakeholders are at the table.

But I appreciate that very much.

Dr. Lucey?

LUCEY: Yes, Senator Clinton.

Your two questions, first looking back. Again, I've been here since February 10th, but nevertheless I think that, looking back, what we might have done differently was to have the type of face-to-face and verbal and phone interactions within the Department of Health and with EPA and with WASA and with Washington Aqueduct to discuss the issue about the action level has been exceeded.

LUCEY: What does that mean? Is that a health-based risk or is it not? OK, it's not, but could there be health implications? Yes, there could be. How are we going to answer that question? For me, it's a clinical or medical approach, and I think that the folks that initially heard about the elevated water (inaudible) concentrations within the Department of Health were not the clinical or medical folks.

As you know, there's new leadership now in the D.C. Department of Health, the top two people are no longer in the Department of Health, as of two Fridays ago. And I think that the new interim leadership is very, very strong.

And so that's one recommendation that I've made to the new leadership, to have more involvement within the Department of Health of the clinical and the non-clinical individuals.

As far as looking forward, I think that there are many things that could be done to try to remedy this situation and any others that are similarly developed in the future. I think again, a major one is to have the types of interactions that we have been having for the past couple months within the Department of Health, but outside the Department of Health, with EPA, with WASA, with Washington Aqueduct, in terms of discussion of, what is the best advice that we can do and how can we best communicate that to the public.

For example, just very briefly, how to prioritize lead service line replacements, if in fact that's what's going to happen, as we've heard that it is, on an accelerated basis.

In my opinion, it's very important not only for the Department of Health to be involved in that decision making, but to work with the new clinical team that's coming onboard with WASA from George Washington University, to work directly with the EPA in the formulation of these prioritization of lead service line replacements, as well as with the Department of Transportation, and everyone else who needs to be involved, do that right now from the beginning. And we are doing that.

CLINTON: Thank you.

Mr. Johnson?

JOHNSON: Thank you, Senator Clinton.

I think that obviously hindsight is 20/20, and as I look back over this issue and consider mistakes that were made, I think that probably the one that's shown up as most resounding was our focus on trying to comply with federal regulations, as opposed to looking at a broader picture, in terms of where our customers were, where they were thinking, and the need to get information to them, perhaps sooner.

Early on in this process, we were only working with a small sample base of 50 homes in the District and did not have a clear fix on what that meant for the broader District. And I felt, and it was my decision, I assume full responsibility for it, that at that point it was not appropriate to raise a flag and begin to alarm people in the District about a problem that we were having.

As you know, we went forward and did sampling, broader base of sampling than has ever been done in the United States of America for sampling. And that showed us some results that was concerning to us.

But we didn't know what that result meant, we're not the medical experts, we're not the regulatory experts. We think that we got that information to them in a timely fashion. And we believe, with all sincerity, that we did make all of the efforts that were required -- and I won't go through this list of things that I have in front of me -- to comply with federal regulations.

An audit subsequently conducted by EPA suggests that there was some technical issues that we may not have met the requirements on, and we'll certainly go back and respond to those over the next 21 days.

But I think that that would be the mistake, I think. We should have been focused more on this community in the District of Columbia than we were on the regulators. But obviously, if you're regulated, you have to meet certain other requirements.

As we go forward, I think that the two points made by both Dr. Lucey and Mr. Jacobus are very valid. I think that there needs to be probably a more formalized, if you would, relationship established between the District of Columbia Water and Sewer Authority, the District's Health Department in order for us to grab these issues early on in the process and be able to have a stronger collaborative relationship.

We had focused on the relationship between the aqueduct and their customers in Virginia, who are also partners of ours in that business relationship. We began when this issue first

came up to start looking at the water. I think we probably could have pursued -- as another mistake -- we probably could have pursued that more aggressively when that first 50 samples came back, to take a look at the production side of it and the chemistry of the water.

But as we go forward, I think that that kind of collaborative relationship is very important, and I really think that the District ought to look at the possibility of having primacy in this area. The U.S. EPA has primacy in two jurisdictions for water distribution system: in the District of Columbia and I believe, in Wyoming, if I'm not mistaken.

And so there are different relationships that get established with the regulatory bodies when you're working with a local entity that has a better sense of what's happening in that community and how that community needs to respond.

And I'm sorry for being so long-winded. That's a very important question, however.

WELSH: I believe that when there's an exceedance of the action level, the spirit of the Lead and Copper Rule is to make sure that any of the citizens who might be exposed to a higher level of lead understand that fully, know that they might be exposed, and have good information in their hands about how to reduce their exposure to lead.

That goal is clearly what was not met in this instance. As Jerry mentioned, WASA took actions to get information into people's hands. And in our review, we've determined that some of the specific requirements weren't met fully.

But the larger issue is that the information that was put out wasn't really getting home to the folks who needed to have that information so that they fully understood that it was important to them; they should pay attention to it; and they should follow the directions that were put in there so that they would know what they were exposed to and understand how to limit their exposure.

Looking backwards, what we didn't do effectively is we weren't aggressive enough, we weren't thorough enough and we didn't find those deficiencies soon enough, both in the letter of what was required under the rule, but also in that larger question of, even if the language is put out there and made available in documents, is it a message that's getting home to folks and are they really understanding it.

What we want to do going forward is change our review procedures in the region so that we do, not only a thorough job of checking the letter of compliance with the Lead and Copper Rule, but that we also take the time to make the judgment about whether that message is being received, much in the way marketing folks do when their commercials and advertisements go out, they can measure in the public whether that message is being received.

So we have changed our operating procedure so that it's not just the technical person in the drinking water branch who reviews the reports or whether they've complied with the rule, but that we also call in the communications expertise that we have available in the region, as well as if necessary, to do contracts for folks on the outside who are experts in the area of communications to make sure not only in the future that the rule is fulfilled but also the message is being effective and that we measure out in the public, "Do you folks who need to know this, know?"

That's what we'd like to do going forward.

GRUMBLES: I couldn't have said it better. From a national perspective, the EPA does want to also acknowledge it's not just following the letter of the rule, it's the spirit of the rule. And that's partly our responsibility, too, to be proactive and to help oversee that not just the letter, but the spirit of the public education and the other aspects of the Lead and Copper Rule are followed. And that's certainly one of our objectives acting prospectively, proactively.

The other one is this whole issue of simultaneous compliance. Providing drinking water to the public can be a tricky balancing act, given various regulations and requirements. And we plan to have a workshop in May with national experts -- you've got the Disinfection Byproduct Rule, the Lead and Copper Rule. How do you ensure that it is all working together and there are not unintended consequences?

CLINTON: Thank you, Mr. Chairman.

CRAPO: Thank you.

Let me proceed a little further. As many of you probably know, yesterday Senator Jeffords and I and Mayor Williams and several others joined some of the constituents here in Washington D.C. and discussed with them their concerns.

And one of the concerns that they raised was that under the testing procedures that went forward, it was very difficult for them as individuals in individual homes to find out the results of the tests on their own homes, and that until certain statistical levels had been reached, individual findings for individual homes did not trigger a response.

First of all, is that true? Is that the way that the system works that an individual or a family can have a test on their home and then not be able to find out the results of those tests, or not be able to get effective action on the basis of one home getting a negative, or a test that exceeds the limits?

JOHNSON: I assume that that question is for me, Senator. And I would respond in this manner.

When we started doing the testing we had what we thought was an effective approach for getting test kits out to people, getting them back. And it was sort of a Cadillac service where we delivered them by FedEx, we went by and picked them up physically and took them to the lab and had them sampled.

When we started into tens of thousands of tests, as opposed to a couple hundred, we simply did not change the system rapidly enough and there were some delays in getting tests back to people. I would concede that. I think that we have a very effective approach for doing that now and we've corrected that.

But as this problem has evolved, because there is no road map, there is no blueprint, we've had to change things and learn as we've gone along. I think that there are very effective measures for getting those test results back. And we generally guarantee them within in about 30 days. Usually it's about a three week, three and a half week turnaround time on them in reality.

With respect to explaining what they meant, we at the Water and Sewer Authority simply did not have the capacity to explain what they meant. I was around when the Lead and Copper Rule was done and working in water utility back in the late '80s and early '90s when that rule was put in place.

And I knew that there was not a health-based standard for that, and so we were not capable of explaining what the health impacts are, what this elevated level meant. All we could do was get something back to the person and explain to them that you are over the action level, which is in the 90th percentile of that 15 parts per billion.

And we would rely on health experts to provide that kind of follow-up and information to the customer.

CRAPO: So if I understand you correctly, you'd have a system in place where within 30 days an individual who has their home tested can get the results back for that home. Is that true about not only the response testing, but also the standard routine samples of 50 homes that are done on an ongoing basis?

JOHNSON: Because we have exceeded the trigger level, we have one group of homes that are regulatory samples. And we treat those separately from the ones that we're doing upon demand and request. The regulatory sample set is 100 in the spring and a 100 in the fall and they're being managed in a totally different process than the ones that we're doing as random tests, or tests upon demand.

CRAPO: Are the people in the regulatory sample notified about how their homes qualify?

JOHNSON: Yes, sir, they are.

CRAPO: So everybody, whether they're in the demand test or the regulatory test, is getting the notice as to what the results are for their home within the 30 days?

JOHNSON: Yes, sir, that's correct.

CRAPO: All right. Thank you.

Another issue that came up yesterday, Mr. Johnson, you indicated that you've already distributed about 27,000 filters. Those filters, if I understand it, are distributed on the basis of those who are identified as having a lead pipe delivery system to their home.

Is that correct?

JOHNSON: That's correct, sir.

CRAPO: One concern that was raised yesterday is that there are something like -- and I think you mentioned this as well -- something like 37,000 homes for which there are no records as to what the delivery pipes consist of, and that people in that category are not able to get a filter.

They don't know whether they have a lead pipe distribution system and they're not able to get a filter or a support from WASA, in terms of dealing with what they perceive to be a lead problem. What is in place to help those who fall in that category of the 37,000 homes for which we don't have information?

JOHNSON: Yes, sir. We have been working for a couple of months in an effort to try to clean up some historical records, where information has just never been compiled before in the District of Columbia, with respect to service pipes.

We have a period of time where everything was recorded. We know that the plumber paid a dollar to make the tap connection and what the material was and who the plumber was. We have some records that only show a date that it was done. And we had to go through what existed manually. And after going through those, we found about 21,000, as opposed to the 37,000. I really would like to correct that number.

CRAPO: OK.

JOHNSON: I'm not sure how 37,000 ever got created some time ago; it's bout 21,000. And we are notifying those people by a letter that's already been translated into the standard six languages I believe, Dr. Lucey. And those letters will be going out to those residents either late this week or early next week, along with a postage paid return card asking them to send that into us. And then we'll get a water test kit out to them on a priority basis so that they can test the water and determine if they have had high lead levels.

There are a number of those addresses that have been compiled in those historical records and some of them don't exist anymore. If you've been living in Washington for a while, you know there's been a great deal of redevelopment.

JOHNSON: These records go back a good ways in time. Some of them have changed their use. There are a number of different circumstances. And we're unable to go out on the street and identify, so we think that this is the most efficient way. And anybody that comes back with a test that shows an elevated level in the second draw of that test will automatically be mailed a filter with all of the instructions and those things.

But we think that having a two-part process is the most efficient and effective way of pursuing that.

CRAPO: OK. Just one last quick follow-up before we move on.

And that is, is it possible under the system that you now have in place for any resident of the District who may feel perhaps your records aren't accurate, or they fall in the category of the homes where there is no information or they just are really concerned about this issue, for them to request a test kit, have the test conducted and then if the test shows that their specific home has high levels, get a filter?

JOHNSON: Yes, sir.

CRAPO: So any resident of the District has that right?

JOHNSON: Yes, sir. We've set aside resources to do a number of tests, something in excess of a couple million dollars, and are prepared to handle it. Obviously, if we get an onslaught and a heavy volume, we can't do it, but we would urge those persons with lead service lines to be the first priority.

We do know that many of our records are very, very accurate. Anything that was built after 1950 is not likely to have a lead service line because those lead service lines were outlawed after that time. So we feel very comfortable with anything that came during that period.

There's also, if there is something other than a two-inch line going into a house, we're 99 percent certain that that would not be a lead service line because they just didn't make them much larger than two-inch. We're not aware that they made service lines larger than two inches, so we think that it is a single family residential phenomena that we're working with.

In the cases of apartment buildings, anything that's a fourplex or better is going to have something larger than a two-inch line. So, there are a number of things that we can do to eliminate certain numbers.

If you notice, we have 130,000 customers in the District. And the numbers that we've been talking about, in terms of lead, are somewhere around 23,000 that we feel fairly comfortable with and then we have this other group. The others we're fairly certain are not lead service lines.

CRAPO: Thank you.

Senator Jeffords?

JEFFORDS: Mr. Grumbles, your answer to Senator Crapo's question about the 15 parts-per-billion standard you described the evolution of that standard. Can you describe any reasons why the EPA set the maximum contaminant level goal, which is a health-based standard at zero?

GRUMBLES: Senator, I can.

When we regulate contaminants, such as lead, under the Safe Drinking Water Act, we start with a process of a maximum contaminant level goal. And for lead, there is no safe level, certainly no safe level we can point to to say with a margin of safety that there would not be some adverse health effect.

And so we did establish zero as the NLCG for lead.

JEFFORDS: As I mentioned in my opening statement, I've asked the Senate Health, Education, Labor and Pensions Committee, on which you serve, which I formerly chaired, to hold a hearing on childhood lead poisoning. I know we are not spending an extended time today discussing children's blood-lead levels, but I have one question for you on this.

The Centers for Disease Control Advisory Committee on Childhood Lead Poisoning Prevention is currently undertaking a review of its blood-lead level standard to 10 micrograms per deciliter.

Recent findings published in the April 17th, 2003, edition of the New England Journal of Medicine show that blood-lead levels below the standard of 10 are linked with declines in I.Q. The study also shows that relative reduction of I.Q. is greater at lower concentrations of lead than at higher concentrations.

These findings suggest that even low levels of lead can have a devastating effect on children. I ask this edition to be included in the record, if I may.

CRAPO: Without objection.

JEFFORDS: New research also shows that there may be an identifiable link between childhood lead exposure and educational achievement and social behavior. I ask unanimous consent to include several articles on this subject by Dr. Herbert Needleman.

OK?

CRAPO: All right.

JEFFORDS: I ask unanimous consent that a report on CDC Advisory Committee itself to be included in the record.

CRAPO: Without objection.

JEFFORDS: The Healthy People 2010 Initiative of CDC calls for the elimination of childhood lead poisoning for 2010, yet the CDC Web site provides three reasons why blood level should not be reduced. It states that it is difficult to measure blood-lead level concentration below 10.

And I ask unanimous consent to include the record, a paper by Herbert Needleman, which refutes this claim; describes the technology advances that have lowered the least observable effect level unit it approaches zero.

CRAPO: Without objection.

JEFFORDS: The CDC Web site also states that no clinical inventions can reduce blood-lead levels below 10 and that there is no evidence of a threshold below which adverse health effects are not experienced. Then the CDC draws a conclusion that any effort to reduce the standard would provide uncertain benefits, even though there appears to be ample evidence that no levels of lead in the blood is safe.

This Web site appears to completely ignore the fact that blood-lead poisoning is preventable, and that in places like Washington D.C. the standard is used as determining factor for which families receive assistance for the D.C. Department of Health.

The CDC identifies two focus areas to combat lead poisoning: lead paint and lead end products. There is no mention of drinking water. Given the apparent consensus that there is no level of lead exposure that is safe, this situation is quite understandable. I can't understand it.

The EPA's own Web site indicates that the agency estimates at 20 percent of childhood lead poisoning is due to exposure through drinking water. The agency sets a maximum containment level goal for lead in drinking water at zero, because that was the only level where no adverse effects will be experienced.

I ask unanimous consent that the relevant CDC and EPA Web sites be included in the record also.

CRAPO: Without objection.

JEFFORDS: Finally, what has EPA done to coordinate with CDC on its elevation of the blood-lead levels standard to ensure that it is reflective of the science consensus on this issue? On the CDC's plan to combat lead poisoning and on the Healthy Peoples 2010 goal of eliminating lead poisoning by 2010? Do you believe that the lead exposure in children can be eliminated in this country without addressing lead in the drinking water problem and the plumbing factors?

GRUMBLES: Senator, I appreciate your interest and your leadership on this issue, in terms of reducing exposure to lead in the drinking water, particularly to children. I would say on the first question, the first part of it, the relationship with CDC: We have been working with CDC. We certainly have established very close working relationships with them in the context of responding to this situation here in the District.

With respect to the overall question of the number 10 as measuring blood-lead levels and the safety of that, that is certainly one of the items that we intend to discuss and explore and review the scientific literature you have as we go about looking at what is the existing guidance and what is the existing regulation, because we do share your interest in the most important bottom line, and that is, what is the impact on human health. How much lead in the drinking water is too much?

So, we welcome that and look forward to working with you on that.

JEFFORDS: I look forward to working with you and communicating with you.

WELSH: Senator, may I mention something that we're doing locally, not in the national scale, but in Philadelphia in Region III we piloted a program called "Lead-Safe Babies" where we worked with the National Nursing Centers Consortium, to actually have health professionals who go out into homes to talk to mothers and families about the possible sources of exposure to lead that exist in their homes.

We thought that was very successful in Philadelphia and we are expanding that funding and it will be called "Lead Safety C" to work with the D.C. Department of Health, but not to supplant, but augment efforts that they're doing to get better information actually into the hands of people in their homes about what their exposures to lead might be, so that we can take a look at the holistic issue of lead exposure: paint, dust, soil, as well as drinking water.

So, we felt that that was very successful in Philadelphia and we're happy to expand that to D.C. to try to help improve the public's knowledge about those risks.

JEFFORDS: Thank you.

CRAPO: Thank you.

Senator Clinton?

CLINTON: Thank you, Mr. Chairman.

Mr. Johnson, I just want to make sure I understood your comment at the end of the previous question from the chairman.

This is, in your view, primarily a single family home problem? Not a multiple unit problem?

JOHNSON: That's correct, senator.

CLINTON: But one thing I think might be worth considering on the part of the D.C. government, since there is some confusion about the numbers of service lines that are of unknown composition and I think the historical record problem is such that we may never get to the bottom of that. It might be worth considering some action that would provide filters for families in these categories of uncertainty or even go to the extent of permitting a family to purchase this filter and attach the receipt to their property tax return and deduct it from their costs.

I think that something needs to be done to take action more quickly and to restore confidence. And the confusion that now exists over how many lead service lines there are and how many unknown composition lines there are and whether people are going to get tested and then after they get tested, how soon they can get a filter.

There might be a way to short-circuit that and go ahead and absorb the cost now, we can argue later about whether the EPA and the federal government should help to reimburse since we have primary responsibility, but at least move to get as many as filters installed as quickly as possible.

I live in the District; my house was built in 1950, so I'm right on the cusp. And I've had an ongoing dispute about whether we do or do not have lead service lines, but we have discovered that we lead lines in the house. So, even if I have an unknown composition line coming from the street, once it gets into the house, I have lead lines.

So, I think that there are several ways that perhaps, you could short-circuit and also restore some confidence and provide some reassurance.

Finally, with respect to the overall review that I understand the EPA may be engaged in, Mr. Grumbles and Mr. Welsh, I would appreciate your looking at the level of testing that's required. In New York City, it falls into a system serving more than 100,000 households and we have eight million people living in New York City. In order to meet that standard, we test 100 households and that's sufficient.

But there are more than 100 neighborhoods. Some are single family neighborhoods, some are duplex neighborhoods, some are apartment neighborhoods, some are public housing neighborhoods. We have as many different kinds of housing as you can find anywhere in the country.

So, I want you to, as you're going through this review, look at the level of testing that is adequate for large systems, particularly a system as large as New York. And then in light of this problem that we've had in D.C., you think that the regulations which allow systems to test for every three years for lead are adequately protected.

We only test 100 sites; we only do that every three years. Given what we're finding out, given the fact that we're changing the make up of the chemicals put into the water, we need to be checking on this more frequently and I appreciate Mr. Jacobus' comment: We need to make it more transparent so that people know what's going on so we can immediately bring people together to respond.

And I think this is a matter of such great concern to all of us. The quality of our drinking water -- I share Senator Jeffords' concern about bottled water, based on my review of the FDA, there's not very much testing and there's not very much regulation and a lot of people are going out spending hundreds of dollars a year to buy bottled water, which may or may not be better or safer than what comes out of their taps.

We need to find out. People need information to make their own judgment and we need some kind of transparency that provides this information so that a concerned mother, a concerned pregnant woman, a concerned anybody can go somewhere, a Web site, a hotline and find out what he or she needs to find out.

And finally, Mr. Chairman, unfortunately, I can't stay for the next panel, but I want to thank Gloria Borland and Jody Lanard and Dr. Best. I've read their testimony. I highly recommend that WASA and everyone else read Dr. Lanard's testimony about risk communication. In fact, I think everybody in any position of public responsibility should read this testimony. It provides a very useful guideline about how to deal with crisis situations, some of which is counterintuitive.

CLINTON: The immediate response is we don't want to panic people. We want to give people reassurance.

I ran into this with the World Trade Center. We got into a big problem because EPA and the White House didn't tell people that we had more particulates and problems in the air around Ground Zero than they wanted us to know. So, we didn't have the urgency that would have convinced a lot of the workers and volunteers at Ground Zero to wear that protective equipment.

So, I think given the high level of risk that we live in the world today, risk communication is central and it is counterintuitive, because I think the natural human feeling, when you're in a position of responsibility and you take it so seriously, is, "I don't want people to panic." Given the world today, it may be better to error on the side of more rather than less information.

We have a lot of very mature, very active people who then can draw their own judgments. One of the things that I face all the time at Ground Zero now is construction workers, firefighters and others who say, "You know if they'd told me I would have left the mask on."

Well, they were kind of told it was dangerous, they could smell it was dangerous, but the EPA was saying that it's OK.

So, this is the conflict and I appreciate the conflict. But I think we need to get to a point where we level with people, we provide information transparently and that I think we have to look at the laws and the regulations because if we can't provide safe drinking water in our nation's capital, that's a terrible indictment of all of us. And particularly given the fact that the federal government oversees D.C., for better or worse, it's our responsibility.

Thank you so much for holding this hearing, Mr. Chairman.

"Weekend Edition Saturday," NPR, 4/17/2004

It's been more than a decade since **Hillary Rodham Clinton** and the US Congress went to the mat over universal health care and came up bruised and empty-handed. Mrs. Clinton has since written in her memoir that the experience made her, quote, "focus on discreet undertakings that were more achievable." Now Senator Clinton, Democrat of New York, has some new thoughts on health care and ideas on how to expand coverage to include more Americans more effectively. She's written the cover story for Sunday's New York Times Magazine. It's titled Now Can We Talk About Health Care. Yes, right now, as a matter of fact. Senator Clinton joins us on the line from her home in Washington, DC.

Thanks so much for being with us.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Thank you so much for having me.

SIMON: Without going back to the whole history 10 years ago, and with so many people who made health care an urgent priority, why did no plan result?

Sen. **CLINTON**: Oh, I think there were so many reasons. Obviously, we in the Clinton administration made some miscalculations and mistakes, and I think in the 10 years since, many of the concerns about what would happen if the Clinton health plan were successful, that you would be denied your choice of doctor, that costs would explode, that bureaucrats would be making decisions instead of physicians, have actually come to pass, but not because we made any progress, but because the system itself is under so much stress, and the way we finance health care is so dysfunctional.

SIMON: You point to a number of factors which cause you concern about the future of health care, and one of the first, you talk about the extraordinary reach and range of genetic research.

Sen. **CLINTON:** Well, Scott, I think this is one of the great advances that will help transform health care, and many people's lives will be enhanced. But if we stop and think about it, it could very well lead to the undermining of insurance as we know it. Within 10 years, we're going to have tests that can tell us whether we are possibly susceptible to all kinds of conditions, and because we don't have good legislation to protect against discrimination if you take those tests and find out that, you know, maybe you carry the gene for breast cancer or maybe you have a precursor for Parkinson's, that you may not be insurable. But I argue that with the advances in genomics, we're all going to find out we're uninsurable because we're all going to be susceptible to something. And we not only need strong laws to protect against discrimination, we need to start rethinking how you insure for risks that we now will know we're susceptible to because, after all, insurance pricing is based on risk.

SIMON: Mm-hmm. You make the argument in this article, Senator Clinton, that the world we're living in after September 11th, 2001, makes the case for universal coverage, which you and some other people believe in, even more urgent.

Sen. **CLINTON:** I think that's right. You know, I was struck when we had the anthrax attacks shortly after 9/11, that some of the people who did jobs in postal service facilities that were contaminated weren't quite sure that they would be covered under their insurance policy for prophylactic antibiotic treatment with Cipro. And I thought, 'This is nuts.' And if you think about the dangers posed by biological, chemical and radiological terrorism, we can't possibly be at the door keeping score about who is or isn't going to be given what treatment in the event that there's, like, a sarin attack in the subway. It also argues strongly for investing in our hospital and public health structure.

SIMON: Mm-hmm. Senator Clinton, how would you expand health care to include millions of Americans that aren't covered, either because they're unemployed or some, in fact, are working jobs that do not include health care?

Sen. **CLINTON:** You know, we have 43 million uninsured Americans, and, Scott, most of the uninsured are working and they just can't afford individual coverage and they don't work for someone who offers it. I think we have some good ideas from Senator Kerry, which I include at the end of my article. I've been a long advocate for opening up the Federal Employee Health Benefit Program to letting citizens buy into that system. It's a subsidized system. It's how I get my health-care coverage.

I also think Senator Kerry is right in arguing that the government be a re-insurer for catastrophic high-cost claims that would then relieve these financial burdens from both private employers and state and local government. I think it's crazy for us to have passed a Medicare bill for drug coverage and basically tell the United States government and the Medicare program that it can't bargain with pharmaceutical companies for lower prices. You know, that's just an invitation to taking the lid further off an explosion of prescription drug prices. You know, we do negotiate to the Veterans Administration, and we have been able to make drugs affordable for our veterans. So we could go a long way toward fixing, you know, some of the problems that are plaguing our system.

SIMON: Well, one of the things I think I've noticed over the past 10 years, journalists in, let's say, the French, British and Canadian press where they have something that more resembles universal health-care coverage, have written articles over the past few years talking about the drawbacks in that system, that there are advanced medical procedures that simply are often not available under their health-care system, or they are so tightly rationed there are long waiting lists, and inevitably there are stories that appear about people who die waiting for a certain procedure. How would you address some of the concerns that a more universal coverage system might create that circumstance?

Sen. **CLINTON**: Well, I think we have to start from the obvious premise there is no perfect system. Other systems do a better job with longevity, with infant mortality, with public health than we do, but when it comes to high-end, high-cost procedures, you know, we're the crown jewel. So how do we keep the best of our health-care system and do a better job in creating a private and public health-care system that treats chronic disease more effectively, that provides more incentives for prevention and the like? Well, obviously, I think we need a public-private partnership.

SIMON: For some people, the idea of Senator Clinton getting involved in health care again is a little bit like Michael Jordan trying to play baseball again.

(Soundbite of laughter)

SIMON: How are you thinking now you might do a better job of selling your ideas now than perhaps occurred 10 years ago?

Sen. **CLINTON**: Well, what I'm really trying to do with this article is respond to the intense concern that I see all over New York. You know, we're bankrupting so many of our counties in New York because of Medicaid costs. We have employers dropping retiree coverage and making employee coverage so expensive that people are dropping their spouses or their children or themselves. We're on an unsustainable course, and I am more than willing to say, 'Look, when we tried in '93 and '94, we made a bunch of mistakes,' and I guess it's like a lot of complicated problems that you have to deal with. You know, Medicare and Medicaid took nearly 20 years from Truman to Johnson. Complicated problems that we have to address as a nation that are politically difficult, that have special interests don't get addressed overnight, and now I think 10 years after our failed effort, it's time to start the conversation again.

SIMON: If Senator Kerry were to call you and say, 'Senator Clinton, I'd like you to be my vice presidential candidate,' what would you say, do you know?

Sen. **CLINTON**: No, and I've said no to everyone who's even raised that possibility with me. I love being a senator, and I will do everything possible to get him elected because I just can't imagine four more years of the current administration on any issue that I care about at home or abroad.

SIMON: Have you contemplated the fact that according to experts there is a real chance of a Cubs-Yankees World Series? That would put you in a difficult position, wouldn't it, Senator?

Sen. **CLINTON**: But, you know, I think it is less likely than an asteroid hitting our planet, Scott. And I know you're a longtime Cubs fan, and you understand maybe better than most why a Cubs fan would want to also be a fan of a winning team. If it ever comes to pass...

SIMON: That's cruel.

Sen. **CLINTON**: ...that there is that World Series, that may be the end of the world. It may be the precursor, but who knows. I don't think it'll happen. The Cubs have never disappointed me.

SIMON: Also never given you great pleasure, it sounds like.

Sen. **CLINTON**: That's right exactly. But, you know, my hopes no longer soar as high as they used to.

SIMON: Senator Clinton, thanks very much.

Sen. **CLINTON**: Thank you. Great to talk to you.

SIMON: Senator from New York, **Hillary Rodham Clinton**. Senator Clinton's article, Now Can We Talk About Health Care, is the cover story in tomorrow's New York Times Sunday Magazine. There's also a sports section in there. And for an extended version of our interview, you can visit our Web site, npr.org.

You're listening to WEEKEND EDITION from NPR News.

"Larry King Live," CNN, 4/8/2004

LARRY KING, HOST: Tonight, Senator **Hillary Rodham Clinton**, her first live prime-time interview since her best seller, "Living History," came out in paperback with a new update. The former first lady will cover it all -- Iraq, the November elections, Bob Woodward's explosive new book, "Plan of Attack," her own future and more. Senator Clinton is next on LARRY KING LIVE.

(LAUGHTER)

We're all laughing. What's left to cover? That's it. Thanks for coming, and good night.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: It's great being here, Larry.

KING: A lot of things to talk about. "Living History" was the number one best seller last year.

CLINTON: I thought it was terrific. I was...

KING: Were you shocked by that?

CLINTON: I was surprised. You know, when you write a book, you have no idea if anybody is going to read it. You hope maybe your family will. But it had a great response, in part because I think people are always interested in first lady memoirs, and because some of the stories about my life and experiences struck chords with people.

And it was amazing, as I went around the country doing book signings or literally just walking through airports, people would come up and say, gee, you know, I had a father just like yours, or, you know, I really related to what you said about growing up.

KING: A heck of a good read.

CLINTON: Well, thank you.

KING: It's now out in excellent -- in trade paperback. Did a nice job for you.

CLINTON: It looks so nice. Doesn't it? I was very impressed by the quality of it.

KING: (UNINTELLIGIBLE), looks great.

And let's get into some things.

CLINTON: Sure.

KING: OK. Did you -- what do you make of this whole Woodward book thing? Have you read?

CLINTON: I'm fascinated -- no, I have not read it, but I'm fascinated by it. I have followed the coverage, obviously. I know you had a great interview with him last night.

KING: Thank you.

CLINTON: And it confirms a lot of what we'd already learned about the administration.

KING: Which is?

CLINTON: That it's a very close knit, quite insular team that basically talks to itself, and has very strong convictions, which is admirable, that are not shaken by evidence or any factual differences in what they intend to do. And I think his accounting of how Iraq was on the agenda for the administration so shortly after 9/11, and in fact it corresponds what we learned from Paul O'Neill's book, from Dick Clarke's book, that they were intent upon dealing with what they saw as the dangers in Iraq.

KING: You voted for it, though, didn't you?

CLINTON: I voted for the authorization, and obviously I've thought about that a lot in the months since.

KING: Sorry you did?

CLINTON: No, I don't regret giving the president authority, because at the time it was in the context of weapons of mass destruction, grave threats to the United States, and clearly, Saddam Hussein had been a real problem for the international community for more than a decade.

What I regret is the way the president used the authority. I think that the short-circuiting of the inspections process, after going to the United Nations, and then basically not permitting the inspectors to finish whatever task they could have accomplished to demonstrate one way or the other what was there. The failure to plan is the most hard -- of all the things is the hardest for me to understand. I mean, how could they have been so poorly prepared for the aftermath of the toppling of Saddam Hussein? And there's just a number of questions that, you know, we still don't really have answers for.

KING: Do you think you were fooled, or you think they had bad information? I mean, is your feeling that they were going to go hell or high water, or do you think they just got bad information?

CLINTON: I think it's important that we figure out the answers to those questions, which is why I am supporting the 9/11 commission, why I think that the Congress and their joint committees did a great public service trying to sort this out, why the other commission that the president appointed is important.

You know, the consensus was the same, from the Clinton administration to the Bush administration. It was the same intelligence belief that our allies and friends around the world shared about the weapons of mass destruction.

KING: Had the same CIA director.

CLINTON: Same CIA director, absolutely. But I think that in the case of the administration, they really believed it. They really thought they were right, but they didn't let enough sunlight into their thinking process to really have the kind of debate that needs to take place when a serious decision occurs like that.

KING: So when you say you give it second thoughts, does this mean you're frustrated, you're rethinking?

CLINTON: No, I mean, I say -- I believe strongly that after 9/11, we have to be prepared to take action to protect our country, to protect our friends and allies, American assets around the world.

KING: So you favor us -- favor us being there?

CLINTON: Well, I favor the fact that now that we're there, we're going to have to make the best of it. I think it could have been handled differently. That's why I say I regret the way the president decided to use the authority.

And it's been bewildering to me, you know, the idea that they would reject out of hand all the planning that was done in the State Department, that they would, you know, basically

ignore the warnings that so many people gave them about what would happen when the oppressive, you know, heavy hand of Saddam Hussein was lifted off. For the life of me, I don't understand how they had such an unrealistic view about what was going to happen.

KING: What do you make of the Colin Powell thing?

CLINTON: Well, you know, I have the same questions everybody does. You read that book, and you know clearly, from what I hear, Secretary Powell has been, you know, kind of arguing for a different perspective, a different strategy inside the administration. He seems to have been pretty isolated, because the decision makers -- Cheney, Rumsfeld, the president -- were intent upon a different course.

KING: Being in that spot, though, ain't the easiest walk on the block, is it?

CLINTON: That's correct.

KING: You were there.

CLINTON: That's right. It is. It's very tough.

KING: And you can only go sometimes on what you're given, right? And if the people around you tell you, this is it...

CLINTON: Well, that's one of the reasons why I think it's important to have a president who asks a lot of questions, who is intellectually curious, who seeks out contrary points of view, who doesn't just surround himself with people who see the world the same way he does.

You know, there is no one world view that encompasses every reality that exists on this planet, and you have to have a decision-making process that pushes a lot of information up, and asks a lot of hard questions. You don't get that sense from this White House.

KING: But in this book, he does ask questions, of Rumsfeld, of Cheney, are you sure?

CLINTON: He -- very -- yeah, but in very formal settings, you know, meetings where information's been portrayed, and it's the same people he's asking over and over again. You know, if you're going to ask Cheney the same question over and over again, you're going to get the same answer, because it's the answer that he wants you to have.

KING: Lyndon Johnson had George Ball, who was totally opposed to the war in Vietnam and made that clear. Did your administration have someone whom your husband or you liked hearing, no?

CLINTON: Well, you know, it was just a totally different approach to decision-making. You know, the Bush team came in and said, we're going to, you know, have a very disciplined, corporate-like approach to solving these problems, so information has to come up through the hierarchy. We're not going to let somebody like Dick Clarke, who is in charge of counterterrorism in the NSC actually brief the president.

Well, that's not at all what my husband did. You know, he wanted people to argue in front of him. He wanted people to present different points of view. Because he at the end of the day knew he had to make the decision. I mean, the buck does stop. The president has to make a decision.

KING: On that end, how is his book coming?

CLINTON: He's working very hard on it. It's moving toward completion.

KING: Have you read it?

CLINTON: I have read a lot of it, yes. I mean, it's...

KING: What do you think?

CLINTON: I think it's going to be a terrific...

KING: You can give us an early review.

CLINTON: Well, no, I can't do that, I can't let anything out of the bag. He has -- he has taken the time to write in a very detailed way about what it was like growing up in the South during the 1950s, what it was like coming of age with Elvis and all the new music that started to sweep our country. So it's not only a story of his life. It's really a story of a life that has a real cultural context at a certain point in America.

I think it's going to be a terrific read, and obviously, it will be, I think, popular, but it will also be educational and informative for people.

KING: Coming out when?

CLINTON: I don't know, the next couple of months sometime.

KING: Is he going to examine the frailties, too?

CLINTON: I think he's, you know, a very thorough job.

KING: Is it going to be rough for you to relive those parts when they come out?

CLINTON: You know, I -- I did that with my book, and I feel very comfortable about it.

KING: You've put it away, right?

CLINTON: You know, life goes on, and you know, my perspective on the eight years that I had in the White House and to try to serve my country was -- it overall was a tremendous privilege and honor, and I'm grateful for that.

KING: If they told you you'd be senator for life, would you take it?

CLINTON: Well, the great thing about our system is nobody is anything for life. You have to earn it every single day.

KING: If they said that's your job and that will be your job, senator from New York, you'll be reelected, let's say, with the gods...

CLINTON: Let's hope so.

KING: Would you say, "that's fine by me?"

CLINTON: I love being senator from New York. I mean, you know what New York is like. I mean, it is the most fascinating, dynamic place in the world, and I get to represent nearly 19 million people who come from everywhere, with every kind of experience you can imagine. It's a tremendous honor and it's also a lot of fun.

KING: We'll be right back with **Hillary Rodham Clinton**. The book, "Living History," the number one worldwide best seller. It's got a new afterword and it's published in trade paperback by Scribner. Don't go away.

(COMMERCIAL BREAK)

KING: She has an approval rating of 62 percent, by the way, in New York state. The book, "Living History: **Hillary Rodham Clinton**." A new afterword is published in trade paperback by Scribner. It's great to have her with us live tonight in Washington. This is a hypothetical, but hypotheticals are fair and of course, they're good.

CLINTON: Just between us, OK.

KING: Senator Kerry says to you, run with me. Because I need you to run with me, because the party needs you, and the country needs you. What do you say?

CLINTON: You know, John, I'm going to do everything I can to get you elected because I think you'd be a terrific president but I'm not going to run.

KING: You'd turn him down. If he asked, you would turn him down?

CLINTON: Yes, because I think that I can be very helpful in, as I did last week, spending time with him, appearing with him, trying to bring people to him in every way possible, and that I think is my appropriate role right now.

KING: Why wouldn't you want to be?

CLINTON: You know, Larry, I'm so happy being senator from New York right now. I love my life. I love my job. I want to see it through, you know? The people of New York took a chance on me, and I'm well aware of that, and I said I wouldn't run and I really mean it. I'm not going to run.

KING: Do you have thoughts as to who would be a good selection?

CLINTON: I think there are a number of people who would be, but that is such a personal choice, and you know, I have a lot of confidence in John's judgment. I think he'll make the choice based on what the important criteria are. Would this person be a good president if something happened to me? That's got to be the number one reason. Secondly, is it somebody that, you know, I want to work with? I get along with? Who can compliment me, and thirdly, what can this person bring to the ticket? I think he's got some very good choices.

KING: How do you see the election?

CLINTON: I really believe that it will remain close, but at the end of the campaign, after the conventions, after the debates, I believe that Americans are going to want a new direction, they're going to want different leadership. You know, I said to somebody earlier today, this is like a job interview for President Bush. You know, he's been there for four years, and he's going to have to come to the American people and say, rehire me.

KING: This is his review.

CLINTON: This is his review and we are his employers, as we are with any president, and as we go down the list, there are a lot of problems with this administration with respect to job creation and economic growth that is broadly based amongst the entire country. There are a lot of problems with health care exploding again in costs. There are many issues, whether one looks at the energy policy or the environmental policy or anything else, plus the problems that we face abroad, that I think a majority of Americans who, in my experience, are not only fair-minded but are very savvy about what's in their interest, because they're looking to see where is this going to lead for me and my family are going to vote for John Kerry.

KING: How involved will you be?

CLINTON: Very involved.

KING: Will you stump?

CLINTON: Absolutely, not only for the presidential ticket but for senator candidates. I think we have a very good chance to take back the Senate. We have some fabulous people running. We've got strong incumbents and we've got strong challengers and I think that, you know, you watch those senator races. We've got a very good chance there.

KING: Is Bill going to stump?

CLINTON: He's going to do whatever he can. He is committed to helping the ticket, helping candidates, and he's already been asked to do some things he and I did on e-mail request for campaign funds for Senator Kerry shortly after he secured the nomination. It was very successful. We're going to keep on doing whatever we're asked to do and we can think to do.

KING: We'll be right back with more of **Hillary Rodham Clinton**. "Living History" is now out in trade paperback. Don't go away.

(BEGIN VIDEO CLIP)

CLINTON: He needs your commitment, he needs your dedication to make sure that America makes the right decision in November, and I give you the next president of the United States, Senator John Kerry.

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: We're back with **Hillary Rodham Clinton**. "Living History" is out in trade paperback with a new afterward. Let's go back to some issues staying with Iraq. The continued violence, the continued casualties. Your committee -- Armed Services Committee is holding hearings, et cetera.

What's validity of June 30th?

CLINTON: Well, it's a date that has taken on a life of its own, because the president said that was the date. And there's an argument for sticking with it, because you don't want to have -- put yourself so far out and then have to retreat from a promise of some kind of sovereignty. But for example, today in the Armed Services Committee, we questioned Secretary Wolfowitz about what does the sovereignty mean?

Who is going to be sovereign, and what is the relationship they're going to have with the military.

KING: What did he say?

CLINTON: There were too many answers. It's a staged process. United Nations is now finally involved, and they're attempting to create some kind of an entity consisting of some group of people, not necessarily the governing council or anyone who has served on it, but of course it seems to me they're going to have to have some carryover. And then this group will have responsibility for trying to move toward the selection of a transition government that will then be responsible for elections that will put into place a fully sovereign government.

But when you start asking questions, okay, well, well what is the relationship going to be with respect to the United States military?

Will we have the full right and authority to operate within a now "sovereign" nation or will we be in some ways subject to this entity consisting of whomever, we don't know.

KING: Who runs who?

CLINTON: Who runs who under what circumstances. Very often with this administration it's unclear whether they have answers they don't want to share or they don't have answers. That's what's deeply troubling to me. Just as the Woodward book so compellingly explained, this is an administration that really believes that it's on a mission, and they don't have to answer to anybody, including the United States Congress or the people of the country. That they give as little information as possible, keep it very closely held, and I don't think it's working. I don't think it's -- it's not only not working, it is also not in keeping with our democracy. And they are laying down some very bad precedence that I don't think are in the best interests of our war on terrorism or the kind of accountable balanced government we should have.

KING: Concerning the 9/11 Commission and Mr. Clarke you mentioned.

CLINTON: Yes.

KING: He was critical of both administrations, critical of yours as well, as well as the Bush administration in the area of Osama bin Laden.

Do you buy that criticism?

CLINTON: Well, I've actually read Dick Clarke's book. I've had time to do that. It's a very fair rendering. And he makes a couple of points. First, at least in his experience, the Clinton administration was very focused on bin Laden and al Qaeda. There was not the context that we had after 9/11 to have taken a lot of the actions that were later possible, like invading Afghanistan. The one thing he recommended that was rejected was bombing the training camps in Afghanistan, but there was a very open debate in the administration. The military had real problems with it, another members of the NSC had real problems with it. You remember that my husband did bomb one of the camps where we thought at the time bin Laden would be. But I take the criticism as absolutely legitimate. I think Dick Clarke is a very credible witness to what went on over the last years. He has a different critique that Bush administration, as you know, that they were not as focused as they needed to be. That's why the 9/11 Commission is so important. I think they are doing a very credible not just bipartisan, frankly nonpartisan job.

KING: What did you think of his apology?

CLINTON: I thought it was very moving and very obviously almost heart rending with the response that he had from the families.

KING: What are your thoughts on Mr. Tenet, who served both you and this administration?

CLINTON: I think we have to look at the structural problems. I don't think this comes down to any one person, and therefore, I'm going to wait until the 9/11 Commission comes forth with their analysis and their recommendations. We've given millions of documents to them, I think, pages of documents, and they have done a very professional job from everything I can see in kind of sorting through it, trying to get lines of responsibility straightened out, and figuring out what we're going to do going forward, because this is, yes, about the past. Have you to learn from the past, but it is much more about where we're going to be next year and the years after, and a lot of the problems that we had on 9/11 we still have, to some degree, and I'm hoping that this commission can have a unanimous report that will make recommendations that the administration, whoever they are and the Congress will follow.

KING: Do you expect it to be bipartisan?

CLINTON: I do.

KING: Unanimous maybe?

CLINTON: I'm hoping. I know that former Governor Kean and former Congressman Hamilton are hoping that it can be. It may not be. It may be unanimous in some respects and not in other respects. But they're making such a good faith effort to do that.

KING: How well do you get along with this administrations as individual senator?

CLINTON: As an individual senator, very well. I've worked with a number of members of the administration. I have a very cordial relationship with the president. I've worked on some issues with Mrs. Bush. I have an understanding of, you know, the burdens that they carry. After 9/11, I, personally, told the president that I would support him in every way possible, because we had to have a united country in the face of the attacks that we suffered.

KING: Do you miss -- do you miss the executive end?

CLINTON: No. It was an incredible experience for those eight years. And I wouldn't trade them for anything, but I'm glad that there are term limits. It is an unbelievable -- absolutely. I mean, Larry, just look at the pictures of any of our recent presidents from the day they take office as they progress through their term. The burdens and responsibilities of that office today are just overwhelming. And you know, you think about Franklin Roosevelt or Harry Truman guiding us through World War II and the beginning of the cold war and president Truman's case, they still took long vacations, they had time for their friends, poker games, you know, cocktail hours.

KING: They took walks.

CLINTON: They took walks. They had a human dimension of their lives. And with all due respect, there wasn't a 24-hour news cycle that required a response from the administration, you know, every 10 minutes. People could think about issues. They could digest information. We now expect this one person, the president, to be both head of government and head of state, to deal with all kinds of problems in a rapid-fire manner. It is just an incredible burden.

KING: We're going to take a break and come back with our remaining moments with Hillary Clinton and then talk with Congressman Chris Shays of Connecticut, Congresswoman Jane Harman of Connecticut. Their reaction to what she just said, and thoughts on the Woodward book and Iraq as well.

I said California, didn't? I...

CLINTON: It is California.

KING: I thought I said it. Anyway "Living History" by **Hillary Rodham Clinton** and it's with a new afterword published in trade paperback. We'll be right back.

(COMMERCIAL BREAK)

KING: We're back with **Hillary Rodham Clinton**, these are our remaining moments, and then we'll meet Congressman Shays and Congresswoman Harman.

Egypt's Mubarak said today, "The United States is now the target of unprecedented hate in the Arab world." I guess that has to do with the agreement with Sharon. What did you think of that?

CLINTON: Well, first of all, I regret the statement by President Mubarak, because it is -- it's a problem for us. We've got to figure out how we're going to both communicate more effectively and deal with many countries around the world.

Specifically, with respect to the decision that Prime Minister Sharon made, I think it grows out of frustration on the part of the Israeli government that they don't have a partner to negotiate with in good faith, and it's a unilateral decision that as I understand what the prime minister and both President Bush said is not set in stone with respect to a future negotiation that might finalize all of the issues between the Palestinians and the Israelis.

But I think that it's understandable, and I support, you know, an effort to move forward. Unfortunately, it's not in the context of any larger process, and I think that's going to turn out to be a problem.

KING: Is it solvable?

CLINTON: Oh, you have to believe that it is. The prospects are just too grim for the children of Israel and of the Palestinians, not to believe it's solvable. You know, there have been a lot of terrible problems in our world that we've lived through in the last century that people didn't think were solvable, that yielded to hard work and faith and patience, and I think we have to bring the same to bear in the Middle East.

KING: You think 9/11 was preventable?

CLINTON: Oh, it's hard to know whether it was or not, but certainly clues were missed along the way, actions were not taken that might have made a difference. I'm hoping we can sort that out through the 9/11 commission, and then learn whatever lessons there are and apply them to the future.

KING: Patriot Act?

CLINTON: We're taking a look at it now. There were some necessary changes that it made in how we conduct surveillance, and the tools available to law enforcement, and then there

may very well have been some parts of it that were not necessary, and there may be some additional changes that would be merited, but I think that the administration may be asking for, you know, some authority that is troubling. For example, to go ahead and give the opportunity for warrantless searches without a grand jury or a judge signing off on them.

KING: So you're not sure?

CLINTON: I think there are some parts of it that I'll be able to support, and other parts of it I'm not sure I can.

KING: Do you think it will change?

CLINTON: I don't know yet. And there is opposition to different parts of it from all sides of the political spectrum.

KING: Tom Ridge, get along with him? Or what do you think of how he's doing?

CLINTON: You know, he's a very decent person who has been given an overwhelming job. I disagree with their strategy. I don't have any disagreements with Secretary Ridge, whom I found to be quite responsive to my needs.

KING: (UNINTELLIGIBLE).

CLINTON: You know, I don't think that they've sorted out what are national responsibilities, what should the federal government be doing in our ports and our borders, what are the responsibilities at the local level, which means we should get the money directly to our first responders, our police, our firefighters and others at the local level. What, for example, is the responsibility of the private sector. You know, we have a lot of chemical plants in this country that are very vulnerable.

There's just been a lack of a clear, understandable strategy, with lines of authority and responsibility, and appropriate allocations of resources.

KING: A couple of other things. With what happened in Spain close to their election...

CLINTON: Right, right.

KING: ... do you fear something happening here at Boston or in New York?

CLINTON: Well, you know, Larry, I worry about terrorism every day. You know, I represent New York. I -- I go into the city. I go downtown. I meet with survivors, with family...

KING: You think about it a lot?

CLINTON: I think about it...

KING: Every day?

CLINTON: ... every single day. It is never out of my mind. You know, sometimes I try to think like a terrorist, to be honest, you know, say what is it they would do? You know, what are our vulnerabilities? What do we need to do to be more prepared? How do we be more vigilant to take care of ourselves?

And it's not just the responsibility of government. It is the responsibility of all of our citizens to, you know, be more vigilant, and to report suspicious activity.

So yeah, I worry about it, and you know, I don't -- you know, I don't let it interfere with my going about my daily business, I don't change any of my routines. I don't, you know, refuse to go places. You know, obviously.

KING: Do you feel safe?

CLINTON: I feel safe because I refuse to feel unsafe, but intellectually I'm constantly thinking about what more we need to do.

KING: And there is a lot more to do?

CLINTON: There is a lot more to do. That's why I say I've been unsatisfied with the strategy that the administration has followed with respect to homeland security.

KING: Are you optimistic or pessimistic?

CLINTON: I'm optimistic, you know.

KING: Despite all you see?

CLINTON: Absolutely. You know, I think that's one of the great gifts of being an American is that we're fundamentally an optimistic people. We have a lot of hope about the future, we think tomorrow can be better than today and yesterday.

That's the way I was raised. That's how I feel in my own life.

And I'm worried, because I have a sense that there's a little bit of fatalism creeping in to some of the remarks I hear from the president and others. I mean, it seems, you know, like you know, we live in a dangerous world. People have always lived in a dangerous world. Our dangers may be of significantly greater proportion because of nuclear, biological and chemical warfare, but people have always had to live with dangers and risks.

And not only that, we can do things to deal with those. For example, one of the Woodward revelations about the gas prices and Saudi Arabia, I mean, that should be a wake-up call for our leadership and our citizens to say, you know what? We are not going to be dependent on any country and their oil supply. We are going to immediately move as quickly as possible to as much energy independence as we can have.

You know, we are Americans. We can solve problems because we are optimistic, we are smart. We are entrepreneurial, and that's the energy that we need to be unleashing in this country again.

KING: Does Bill miss it?

CLINTON: No, he's having the time of his life, you know, being back in private life.

KING: He is?

CLINTON: He really is, yeah. His foundation is doing fabulous work. You know, they've negotiated these low prices for generic drugs, helped more people...

KING: But he is so political.

CLINTON: Yeah, but he's now -- you know, he's now doing things like getting lower prices for drugs to make sure that people get help with HIV/AIDS around the world.

KING: Would you allow importation from Canada?

CLINTON: Absolutely. Absolutely. I also think it was a big mistake not to let Medicare negotiate drug prices.

KING: As always, thank you.

CLINTON: Thank you, Larry.

KING: Senator **Hillary Rodham Clinton**. The book, "Living History," the phenomenal number one worldwide best seller. New afterword is published by Scribner.

And when we come back, two frequent guests. Always good to see them. Finally good to be with them, Congresswoman Jane Harman of California, Congressman Chris Shays of Connecticut. Don't go away.

CLINTON: Good to see you there.

COUNCIL ON FOREIGN RELATIONS EVENT, 4/20/2004

COUNCIL ON FOREIGN RELATIONS EVENT AND RELEASE OF RE-PORT: "WHAT WORKS IN GIRLS' EDUCATION: EVIDENCE AND POLI-CIES FROM THE DEVELOPING WORLD" BY BARBARA HERZ AND GENE SPERLING

WITH REMARKS BY SENATOR HILLARY RODHAM CLINTON (D-NY)

MODERATOR: NANCY BIRDSALL, PRESIDENT, CENTER FOR GLOBAL DEVELOPMENT

LOCATION: CFR, WASHINGTON, D.C.

SEN. **CLINTON:** Thank you so much. (Applause.)

Well, good morning, and it's wonderful to see so many of you here this morning to talk about this important issue.

And I want to thank Gene for his commitment. Those of you who know Gene Sperling know he never does anything halfway. We used to joke in the White House that he moved in in 1993, never went home, he never ate a decent meal. You could find him, at all times of the day, toiling away on behalf of many of the important issues that he was given responsibility for. And I think it's fitting that he has come to this issue with the same level of passion and analysis that has marked his work in the past, and I am delighted to be working with him.

And I want to thank Nancy for taking the lead on this issue with the U.N. Millennium Task Force on Gender Equality and Education. I am hopeful that, in this very difficult time in which we find ourselves, and particularly with respect to America's leadership, that we can find ways to highlight and deepen our international cooperation, and this certainly is one area where I think that is possible.

I also want to acknowledge Barbara Herz for bringing so much research and experience to the report that Gene has been highlighting, and Rekha Balu, who has done so much to prepare for today.

I want to acknowledge two of my friends who have also worked tirelessly in this area. Elaine Wolfensohn has already been mentioned, and I'm delighted that she, along with Jim, have really raised the banner high on education, particularly girls' education, around the world.

And Melanne Verveer, who as my former chief of staff, was instrumental in the work we did in the White House, particularly with respect to Vital Voices, an initiative to highlight the needs of girls and women around the world, and specifically with respect to doing all we could to make girls' education, universal education a priority. And I thank the council for hosting Gene's project and this discussion today.

This is Global Action Day. Don't you love those kinds of phrases. You know, it has all kinds of wonderful images. And perhaps in some places around the world there is the kind of action going on that Global Action Day suggests, where children and their parents are petitioning and calling for greater commitment to education for all. It is supposed to be a day when children actually lobby policy makers to support universal basic education. And later this afternoon, I will be hosting a reception for about 40 student leaders who are working on this issue in our own country. And I hope that we are able to create more of an incentive to focus on the potential for global education and at the same time help to raise awareness here in our own country about why this is such a win-win strategy for the United States.

You know, for more than 30 years I've been working on behalf of girls' and women's issues, and particularly in the years during the Clinton administration I had the opportunity to travel to so many places representing our country, often alone, many times with my husband, going into schools, going into communities, seeing firsthand how few girls in so many places were given adequate educational opportunities. And yet I also saw the hunger in their faces for that experience and the desire on the part of so many of their families. I remember going into a school in Uganda with Melanne and those who were accompanying me on that visit after President Museveni had made the decision to eliminate school fees, a terrible idea that went into effect in the '60s, '70s, '80s and really put almost a barrier up to universal education, particularly for girls. I mean, it was like a lot of ideas that on paper made sense in some office in Washington or London or somewhere else that, you know, there was such a gap between the resources available and the need that existed that trying to instill some personal responsibility in families and make them committed to education by paying fees would just unleash this incredible outpouring of children going to schools, which would increase the resources, et cetera et cetera.

Well, you know the facts are quite to the contrary.

But when President Museveni decided he was going to try to make it possible for children to attend school, he had an overwhelming response. And we went into a school that was literally packed to the gills. (Chuckles.) I mean, it was filled with boys and girls. There were probably 75 of them in a room by, you know, maybe 15 by 20 feet, and one teacher, no supplies, but an eagerness that was palpable and inspiring.

I remember being in a village outside Lahore, sitting under a tree, talking to the women about the school that they wanted for their girls, because they had finally, after years and years, been able to build a primary school for their daughters, but it ended at what we would roughly think of as sixth grade. And then there was no more opportunity for education, because they were not going to send their girls away, and they couldn't travel safely to the nearest school. So their education ended.

I recall being in a village in Bangladesh where one of the experiments that we tried to support during the Clinton administration was beginning, and that was to provide both cash payments and food commodities to families in return for their sending their girls to school. And talking to the, you know, local village elder, he was amazed at how many more families would send their girls to school in return for, you know, a bag of rice or some other kind of reward. Because then they felt they didn't need the girl's labor, they could actually make a sensible trade to have their girl remain in school.

All over the world, we've had these examples. We have many in Gene's book about what does work.

At the same time, we know that the challenge ahead of us is daunting, and I would just remind all of us of some of the statistics in the book, which really drive this point home.

You know, there are hundreds of rigorous studies, hundreds of them, on the tangible economic, social and political gains that come from giving girls the opportunity to learn. And the reason for that is because the evidence is easy to gather, if we only look for it. Sometimes we don't look for it, and therefore we don't see it and don't draw the right conclusion.

But a single year of primary education, one year, correlates with a 10 to 20 percent increase in women's wages later in life. Academic studies find the return to a year of secondary education even higher, in the 15 to 25 percent range.

An extra year of a woman's education has been shown to reduce the risk that her children will die in infancy by 5 to 10 percent.

Education offers what the World Bank has referred to a window of hope in helping prevent the spread of AIDS among today's children. A recent study of a school-based AIDS

education program in Uganda found a 75 percent reduction in the likelihood that children would be sexually active in their last year of primary school.

Girls' education is the best single policy for reducing fertility and therefore achieving sustainable families, according to a recent survey of the academic literature. In Brazil, for example, illiterate mothers have an average of six children, while literate mothers choose to have less than three children and are better able to care for and invest in their children's well-being.

A study of South Asia and sub-Saharan Africa found that from 1960 to 1992, more equal education between men and women could have led to nearly 1 percent higher annual per-capita GDP growth.

This report also documents in extensive detail what I have seen in many of the countries I have visited. The most effective way to reach the goal of getting all girls in school is by encouraging countries to make a firm commitment to universal basic education for all children, boys and girls, but with an understanding of the special obstacles that girls face.

There's an internationally recognized goal to get all children in school by 2015. We will fail to reach this goal unless poor countries themselves make a firm commitment to education and develop credible national education plans.

But the developed world, led by the United States, has to do more to help reach this goal as well. In 2000, when our government and 182 others came to Dakar, Senegal, at the World Education Forum, to affirm this 2015 goal, the well-off countries, including the United States, pledged that poor countries who were willing to go the distance would have the help of those of us who had the means to support them in this effort.

Specifically, the pledge that the World Bank and others articulated was that no poor country with a national plan for universal basic education and a commitment to pay its fair share would fail for lack of resources. That was the grand bargain. That was the social compact reached at Dakar, but we have failed to live up to our side of that bargain.

We've seen progress, to be sure. I take great pride in the special United States initiative we launched in 1995 to enhance girls' and women's education around the world. And I'm also proud of the significant increases in funding we secured to the Department of Labor's prevention of abusive child labor strategy and the debt relief initiative, which helped to increase education spending by as much as 55 percent in many African countries. And I have great admiration for a number of my colleagues, appropriators like Republican Congressman Kolbe and my great friend Democratic Congresswoman Nita Lowey and, in the Senate, Patrick Leahy, who have worked together to increase funding for education through the annual appropriations process.

But we have to be very clear about this. Most credible estimates of the external resources needed to reach universal education by 2015 are between \$5 billion and \$10 billion a year, and that is just for primary education.

Now, the United States commits over \$300 million to education around the world each year, but that is still far short of the \$2.5 billion that would be the United States' share of a true, meaningful global education fund. So we're not doing our part, although we have made progress, for which I'm very grateful, and neither are the other major donor countries.

Today I am proposing a major new legislative effort to increase U.S. resources and leadership to try to do our part to reach this goal. I will be introducing legislation in the coming weeks that will bolster our education assistance strategy in several critical ways.

The Education for All legislation calls for the development of a clear global strategy to achieve universal education by 2015. We recognize that no country can do this alone and we have to work together. And we can no longer afford the inefficient overlapping of

projects and conflicting donor requirements that serve only to confuse and frustrate developing country representatives and impede long-term development planning.

I really applaud the work of many organizations and individuals who have labored to move us toward a more coordinated global approach: UNICEF for its work on girls' education; UNESCO for its important efforts to monitor countries' progress; and most of all, those who have worked so hard to launch the Education for All fast-track initiative, which provides a framework for the kind of international donor coordination that we so clearly need.

But it's time for the United States to take the lead not only to strengthen the fast-track initiative, but to use it as the foundation for a true global effort on education.

Secondly, we have to get our own house in order. I've seen individuals in various United States government agencies doing heroic work on programs to get more children in school. But so far, these efforts have been scatter-shot and uncoordinated, and the sum is less than the whole of even the very modest parts. While we don't need a new bureaucracy by any means, we certainly need a common purpose and a new commitment to coordination. I think we should have someone in our government designated as a coordinator for Education for All who will help to rationalize and oversee the U.S. education assistance efforts. I think we then could use an interagency task force comprised of representatives from USAID, State, Labor, Treasury, and the new Millennium Challenge Account, as well as the AIDS initiatives, to help us move beyond the pilot efforts and the project-by-project approaches to use the work that Gene and others have done to really begin to not only support best practices, but scale up from them.

Third, we need to make a new commitment of resources tied to strong standards of accountability and performance. My legislation calls for increasing U.S. funds available that support education to \$500 million this year, \$1 billion by '06, and \$2 billion by '09. And I know we're in a terrible budget deficit, and I know that we are in a very difficult time with all the other competing considerations. But I even think with respect to the pressing national security challenges, making a commitment to education for all is the kind of positive statement that the United States needs to be seen making and standing behind right now. And if we did so, we could leverage even more private funds through nongovernmental organizations and private sector organizations. I think there has to be a public-private partnership.

I don't know how many of you saw the wonderful television program about what Oprah Winfrey is doing in Africa. It was a very inspiring and moving story of her personal commitment. There are many Americans who would make a personal commitment to an effort that they thought was coordinated and accountable that would actually result in children going to school. And I believe we can leverage these government resources if we have the right approach and we make it clear that we have accountability and coordination that will assist those who wish, on the private side and the non-profit side, to contribute.

If we do this, then we have to make sure that the countries whom we are working with understand what their obligations are. And some clearly do. They have demonstrated that in the last several years. Others don't, but can be, with the appropriate resources and technical assistance, moved in the right direction. And it's also critical that if we look at education for all, we make a linkage to some of the countries that have failed to provide adequate education and have had that vacuum filled by religious organizations, nationalistic organizations and the like, who in the guise of providing schooling are contributing to instability and violence and terrorism.

The obvious example are the madrassas in Pakistan. When I was in Afghanistan over Thanksgiving, I came out at Islamabad and had a long meeting along with Senator Jack Reed of Rhode Island with President Musharraf. We met, I guess, about midnight on what would be Thanksgiving here. And I pressed him hard on what had been his government's statements regarding primary education as a means of providing an alternative to the madrassas, which are the only alternative for poor families look for any kind of organized

schooling for their boys. And he is well aware of the problems that have been caused and seemed very committed to dealing with it, but in the months since the problems of undoing a problem that has been created because a government didn't provide primary education on an ongoing basis is overwhelmingly difficult politically and financially. President Musharraf and Pakistan need help in creating a universal education system that will be not only for girls, but for boys as well. That is just one of the many examples from around the world where it is in our interests, our strategic self-interest, to be the promoter and coordinator of global education for all the children in the world.

Now, I'm hopeful that, as we, you know, launch this effort today and as we look for support that people will understand that this is not only the right thing to do, this is the smart thing to do as well. It is imperative that we provide education that opens up the minds of girls and boys around the world, not subject them either to no education or pseudo-education that closes their minds and focuses their energies on making some kind of statement or even engaging in violence against the outside world as it is defined for them.

Americans are generous and giving, and I think we can make the case for global education. I'm hoping that we can create a means for individual Americans to contribute to a global education fund so that they can match their money to money not just from the United States government, but the other G-8 governments, Oprah Winfrey, foundations, and it can be a real call to action on behalf of the children of the United States and other so-called developed countries to tangibly help children in other places have a chance to educate themselves and have a better future.

So I'm excited by this opportunity. And I thank Gene and Nancy, and many of you as I look at this audience, who have been working on this issue for a very long time, who know far better than I what the challenges are, but also appreciate what the potential for change is. And I am excited because any time Gene Sperling is involved in something, you know that you won't get a lot of sleep, but you'll have a great adventure in trying to reach the goal.

Thank you all very much. (Applause.)

MS. BIRDSALL: The senator has time for some questions. And I want to ask the very first one. That was fantastic. You said everything that I thought I might ask you about.

In particular, though, I want to remind all of us that there is not only the goal of 2015 for universal primary education, but the 2005 goal, which is embedded in those Millennium Development Goals, for gender parity. I have to say that because my co-chair of the U.N. task force, Geeta Rao Gupta, is there. And she would want me to be sure to mention this is urgent, this is an emergency.

So, Senator Clinton, the first question is, how can we as a community help you accomplish what is a tough -- it's a tough agenda you've set out. As Gene said, we need -- what's Colin Powell's point? You know --

MR. : Overwhelming force.

MS. BIRDSALL: -- overwhelming force, how can we help you do that as a community?

SEN. **CLINTON:** Well, I think that we need a much better communication strategy to get the information out about the consequences of educating girls and universal education. This report is a summary of so many other studies. We have known this information for a long time.

The best way to stabilize economies, to give democracy a chance to flourish, to provide all of the benefits that we think we need for a safer, more prosperous world in the future is to invest in girls and women, in their education and their health care, and to ensure that they are full participants in their societies and economies. And so I think that for many Americans, that is a message that is very positive and people will resonate with, but they don't know it. And we need to get it out there.

It was really heartwarming to see the reaction that Americans had with respect to Afghanistan when the Taliban was dislodged and women literally took off their burqas. And then through Vital Voices, under Melanne Verveer's leadership and the patronage of Mrs. Bush, we were able to create an opportunity to employ women and help send girls to school by creating little cottage industries of making school uniforms and, you know, begin to try to instill the idea of girls going back to school.

And now, you know, schools are overflowing. Some of them are literally just under trees, they're in tents. There was a backlash, some of those schools were burned, some of the teachers were threatened, some of the families were intimidated, but at least so far, in many parts of Afghanistan, not everywhere, girls are going to school eagerly. And not just little girls. You've got 19- and 20- year-old young women going to their first year of school. And I think Americans get that.

And the more we can educate girls and women, the safer America will be. You know, that's a big leap of faith to say, but I happen to believe it. And so I think that's the first point.

And Nancy, the second point is that I think we need this as part of our strategy in the war on terrorism, to just put it in very blunt terms. You know, we're not doing very well winning the hearts and minds of people around the world. We have managed to alienate just about everybody. Whether one agrees or disagrees with the administration's policies, it has to be said that it would be far better to do it with more support than less, and also if we were standing for other principles and goals in addition to our commitment to the war against terrorism as a military undertaking.

So I think, as I say, it's the right thing to do and it's the smart thing to do. And we have to do a better of making that case to the public and certainly to the Congress.

MS. BIRDSALL: Thank you. Very good.

Q (Off mike.) I just left the (NSE ?), and I also worked for your husband's administration.

I have a two-part question for you. How do you deal with the politics of supporting education abroad at a time when our own schools are in so much trouble? I ask the question because we recently launched a large education initiative in Indonesia when President Bush was there last fall. And we were subjected to substantial criticism from a wide range of groups on the politics of supporting schools abroad when our own schools are in so much trouble.

The second question is in regard to your comments about Pakistan. Of course, we've seen fairly dramatically the problem with their madrassas and what it has led to on a national security basis for us. But, of course, there is significant diversity across the Muslim world, and there are places like Indonesia, where madrassas or such schools are, in fact, a force for good and for moderation. What are your views on us supporting what in essence are religious schools using U.S. money? Thank you.

MS. BIRDSALL: We -- I should have asked people to introduce themselves. You did quasi-introduce --

Q (Off mike.)

MS. BIRDSALL: Thank you, Karen.

SEN. **CLINTON**: Thank you so much, Karen.

As to the first question. You know, I am a strong supporter of education in our own country. And I think that we do have a lot of unfinished business with respect to helping communities with their facility needs. We were doing that at the end of the Clinton administration. That was eliminated under the Bush administration. I thought that was a big mistake. We also don't even fulfill our obligations on federally mandated programs like special education. You know, the federal government's supposed to pay 40 percent of it here in this country; we

don't come anywhere near that percentage, imposing tremendous burdens on state and local government, and particularly where there's concentration of impoverished children in many of our big cities and rural areas.

So we have work to do at home. I am absolutely the first to say that. And I think we should be up front about it. And unfortunately, you know, there's a big gap between what the -- this administration said they would do in terms of financial resources for our schools and what they've delivered. So it does put, you know, at least the administration in an awkward position, to be advocating global education or education in Indonesia or Afghanistan, when there are many people in the Congress and out in the states and in school boards who feel like they've been, you know, burdened with all these new mandates under the No Child Left Behind legislation and not given the support they need.

So I acknowledge the problem up front. And I think that it has to be a continuing domestic priority for us to do more to ensure a quality of educational opportunity in our own country. I mean, I represent, you know, a state that had some of the best schools in the world, and schools that you wouldn't send any child you cared about to, because of the paucity of resources, the deteriorating physical facilities. It's outrageous. And we're engaged in a big, you know, political battle inside New York because there's a court case saying you've got to spend more money on the children of New York and Buffalo and Albany, and not just, you know, turn your backs to their legitimate financial needs, because in the United States it is a cultural issue, it is a personal responsibility issue, and yes, it is a resource issue.

And anybody who says, you know, improving education doesn't have anything to do with money is not talking about their own children. So I think that, you know, we should just sort of strip the hypocrisy off of this and, you know, be very blunt about what we need to do here.

Having said that, we are a pretty great and rich country who ought to be able to do two things at once when it comes to education: do a better job for our own children and do more globally; and, if for no other reason, to try to make a world that is going to be safer for the children we love here at home. So I think there's a linkage here, Karen, and it's not easy.

And you know, we still fight the myths that we spend 10 (percent) to 20 percent of the federal budget on foreign aid. I mean, that's a constant, you know, figure that comes in polling. If you open-ended ask people, "How much money do you think we spend on foreign aid?" "Oh, 10 (percent), 15 (percent), 20 percent." "How much do you think we should spend?" "Oh, I don't know, 5 percent." I mean, how many of you would be happy with 5 percent if we ever got to that level, right? (Laughter.)

You know, so I think that we have our work cut out for us, but that doesn't mean we shouldn't try.

Secondly, on religious schools, I am extremely reluctant to provide money for religious schools in the United States or anywhere in the world. And I think it is a -- you know, it is an argument one can make that, in certain places, religious schools are value inculcators, they are, you know, sometimes standing against the tide of fundamentalism, and I acknowledge all of that. But by and large, I think religious schools should not be the recipients of American tax dollars.

And I remember going to Northern Ireland following the -- or in the midst of the process that led to the Good Friday accords and meeting with a large group of students in Belfast. And you know, I didn't know what their answer would be, and I said to them -- I said, well, if there was one thing that could be changed that you believe would help you have a more peaceful future -- because most of them had never been in a room with someone from the opposite religious tradition -- what would it be? To a person they said let us go to school together because, you know, Northern Ireland has Catholic schools and Protestant schools, period. And they just yearned for our comprehensive, you know, public schools that people have to go to and get mixed up in and deal with.

I'm also concerned that it would be difficult to draw lines that made sense. We're going to support madrassas in Indonesia? Well, you know, we've got a really good, you know, mullah here, you know, somewhere outside of Karachi. Don't you think we ought to support him? I mean, I don't know how you would draw the line.

I want to support national programs that create public school systems. And then, just like this country, those who wish to pursue religious or private education can do that on their own. But there has to first be a commitment to a universal public education system that provides a decent at least primary education for both boys and girls.

MS. BIRDSALL: Actually, I think many Americans would agree we could do both if they understood how much light you could put in the eyes of those girls outside Lahore for \$20, \$30 a year. So I think that's -- that can be part of that.

SEN. **CLINTON:** Well, that's why, Nancy, I hope -- you know, we're struggling with the legislation -- because my view is, if there were a way to create a kind of, you know, public-private entity that individual Americans could contribute to, you know --

MS. BIRDSALL: With confidence --

SEN. **CLINTON:** -- with confidence that it was going to end up teaching those girls -- you know, it's like when we used to go collect money for UNICEF, you know, and people had, you know, Halloween trick-or-treat opportunities to go do that. Well, we need something to re-engage American young people in children around the world, some commonality, some sense of identification.

And you're right. I mean, \$20, \$40, \$100 -- it could educate a child for a year.

One last question. Then I, unfortunately, have to leave.

MS. BIRDSALL: Let's go all the way to the back. Right there, on the aisle. Yeah.

Q Senator Clinton, that was fantastic! Just before you led the delegation to Beijing -- oh, my name is Ruth Kagia.

MS. BIRDSALL: Did you remember, Ruth, to introduce -- thank you. (Chuckles.)

Q (Chuckles.) My name is Ruth Kagia. I work with the World Bank.

Just before you led the delegation to Beijing, Senator Clinton, you made a similar address at the World Bank, which in many ways has remained a pillar of our way going forward on girls' education. It was inspiring, it was stimulating, and in many ways it forced us to lift our game on girls' education.

What you've done this morning is similar in some ways, in a more fundamental way, because what you have provided is the bridge that we've been missing on education for all globally. We've been associated with the fast-track initiative, but the best we can do at the bank is to provide the leverage, to provide a framework. But we wait for the governments, both from developing and developed countries, to come forward.

And what you proposed, both in terms of increasing the support from the U.S. as well as in having an internal consistent framework in the country, is exactly what has been lacking in order to lift the game at the international level.

And the timing is perfect, because the U.S. is chairing the fast-track initiative in the context of their chair in the G-8.

So if the challenge you've put on the table were to be taken forward, we then can cross to the next threshold, starting with the 2005 gender goal, but also beginning to create a forum for private sector to come in, which again is the missing link.

So for me is to say that we stand ready to support what has been the missing piece in this game. Thank you.

SEN. **CLINTON:** Thank you so much. And I -- unfortunately, I do have to leave. But I would just add to your assessment that I think we have to be creative in understanding how best to achieve these goals. And the '05 gender goal is a perfect example.

You know, I've thought often, suppose that every American business doing business anywhere in the world took it upon themselves to pay the school fees, in countries that still have school fees, for the boys and girls in their community, or in the region where they worked. It's a pittance for any major American corporation, and it's a life-changing investment for the children. Suppose we did have a sort of request for not only American businesses, but individuals and organizations, institutions of all kinds to just start by paying the school fees for girls, you know? I mean, I just think that we have to do something tangible and achievable within the next year or two to show our commitment. And, you know, where -- there are still many countries which have school fees, I mean, where they're beginning to eliminate them and cut them and try to do without them. But then, of course -- (laughs) -- they don't have any resources, and you end up with 75 eight-year-olds with one teacher and no material. So there are ways of thinking outside the box.

I mean, this legislation I'm proposing is more of a discussion- starter. I mean, I don't expect it to -- I don't expect to see it be signed into law this year, unfortunately. Maybe. You know, who knows?

MS. BIRDSALL: Absolutely!

SEN. **CLINTON:** Yeah, right. (Laughter.) We'll be very optimistic about that.

MS. BIRDSALL: Two thousand-five is upon us.

SEN. **CLINTON:** Yes. Well, so is an election. (Laughter.) And maybe, you know -- maybe there is a way to harness that energy and convince people that it's a good thing to do.

But we can't wait for that, either. I mean, we have to do all we can to get the United States government more focused, committed and provide more resources. But we also have to get Americans personally involved. And I think that is one of the ways, to go back to Nancy's original question, that we build momentum for the eventual commitment of resources and leadership that I hope will come from our own government.

So I want to thank Nancy and Gene and all of you for letting me come by and talk with you about this. I look forward to working with you.

They're going to stay because they have a lot more information. And this report, that I commend to you, is filled with very impressive research and statistics that we should be able to make the case with, Gene, if we can just get in front of enough audiences and if you will help us do that.

Thank you very much. (Applause.)

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQ AND AFGHANISTAN OPERATIONS, 4/20/2004

CLINTON: Well, I agree with the chairman and Senator Bayh. I think that this is a serious issue, because it's not only the possibility that the definition will take on a life of its own, causing all kinds of unintended consequences, but that in fact the earlier questions that the chairman raised about the rules of engagement for our military and the authority that they

have following this period of sovereignty, however one defines it, I think are going to be very sticky.

And then you throw into the mix all these private contractors running around, heavily armed, I think it becomes even more of a challenge.

So I believe, Mr. Secretary, you've gotten, at least from some of us, a concern about what this means, how it's going to be operationalized. And I just have one suggestion that would be to look for some tangible way to demonstrate the benefits that flow from this interim period to individual Iraqis.

You said in passing that one of the concerns we have to address is the efforts to undermine our legitimacy and our role in Iraq by not only making up stories about actions that never occurred under our military control, but also this whole idea we're there to steal the oil.

When I was in Iraq, I spoke with Ambassador Bremer. I've raised this in other settings. I really urge the administration to look at ways that we could demonstrate clearly that the results from increased production of oil in Iraq are going to benefit individual Iraqis.

I'm not an expert on this, but back in the days when we opened the North Slope in Alaska for oil exploration, the state of Alaska, in conjunction with, I think the federal government, created a trust fund for the Alaskans. Literally, checks were sent out to Alaskans, saying: This is your land. It's being exploited. This oil is going all over the world, but you are given a stake in this future.

And when I raised this with Ambassador Bremer, I said: You know, trust is in short supply as we know. Consent and trust are essential ingredients for success in this undertaking. We need to do something and we need to be in the process of doing it before sovereignty, however it's defined, takes over and all kinds of deals are cut. Because I'm deeply concerned about those in the governing council and those who might be on any expanded transitional entity, who seem to be making out quite well. And that will further undermine legitimacy.

So I raise it again. I hope that something, if not that, can be looked at as a means of demonstrating both our commitment to the Iraq people in a tangible financial way, and also removing some of the sting of this idea that we're there to steal the oil.

General Myers, as you may recall, during several hearings before this committee, I raised the subject of medical tracking and surveillance of our troops.

CLINTON: Both on February 13th and on February 25th, I asked what efforts were being taken regarding medical tracking and surveillance and follow-up care. I also requested and received a briefing from the Department of Defense on the proposed medical tracking plan for troops being deployed to Iraq.

I came at this issue in large measure because of my concerns about the problems that many of our veterans had after the first Gulf War, when they returned home and had a syndrome of undiagnosed illnesses which at first were, you know, frankly, dismissed, chalked up to all kinds of personal stress-related issues and then only gradually taken seriously. And then finally, we were able to secure veteran's benefits for a lot of those troops.

Now, I raise this today because of the troubling treatment of members of 442nd Army National Guard MP unit out of Orangeburg, New York. My staff and I have met with members of this unit, and they have a very disturbing story to tell.

Specifically, 12 of them were medivac'ed out of Iraq for various injuries, fractured feet, problems with Humvees rolling over, all kinds of action-related injuries, but they were also suffering similar symptoms to those that we heard out of the first Gulf War, dizziness, headaches, sleeplessness, cramps, blood in their urine, blood in their stool.

Yet when they went to the Army to ask for testing, they were given the runaround. And they became concerned about possible exposure to radiation because of information they were given by Dutch personnel who were stationed near them during their time in Iraq.

Based on some tests that the Dutch medical personnel did of the place they were assigned to be, including using radioactive detectors and other devices to test the environmental exposures, the Dutch said they were leaving. They would not stay there. And they moved their troops to another location.

Several of the members of the 442nd who were medics were in ongoing discussions with the Dutch who were telling them, you should move too. There's all kinds of problems here. There were bombed out Bradley Fighting Vehicles and other equipment that had been dragged and dumped there after the military actions, and other kinds of issues that at least in the minds of the Dutch, as it's been reported to us, caused them to act.

So when these men returned home and kept trying to get somebody to talk to them and were not given much of an answer, they went to a New York newspaper. They went to the New York Daily News with their concerns. And that newspaper paid for testing. And their blood was tested, being sent to Germany which had some advanced equipment. The results came back saying that several of them had elevated levels of radiation exposure.

And they attributed it to exposure to depleted uranium. Whether or not that is the causation, I'm not here to suggest.

But my bottom line is that I think our troops deserve better. I've already requested another briefing on medical tracking, especially with respect to radiation exposure, which we hope to schedule soon. But I think this raises a red flag for me, because I had hoped that we wouldn't make the mistakes we made before.

I now have, on further investigation, have learned that we have hundreds of troops sitting at Fort Dix who have ongoing medical complaints and ailments.

CLINTON: And they're basically being given two choices: sit there -- some have been sitting there for months, Mr. Chairman -- sit there and wait to be given an appointment at Walter Reed, or appointment at some place else or go ahead and sign this document and leave the military and don't worry about it.

Some leave. But others are saying, "Wait a minute, I want to find out what's wrong with me. I'm not going to leave, I want treatment."

So, General, again, I would ask that you take whatever action is necessary and, Mr. Secretary, as well on the civilian side, to ensure that, first, these members of 442nd get whatever testing is appropriate and necessary, that we take a hard look at these radiation exposure numbers back, that we use the more advanced testing techniques that are available in Germany and Japan, but which our military are not currently using -- the tests that we are using for exposure to uranium or radiation is not as specific as the tests that are being done in Europe and Japan -- and that we try to make sure that the plans for medical surveillance tracking and treatment that I was told about are actually implemented.

And specifically, I would appreciate a report about what is happening at Fort Dix. And I don't know, but I am concerned by the stories.

We had a lot of anecdotes today about how great everybody is feeling about their mission. And I'm glad to hear those anecdotes, but I'm increasingly hearing a lot of anecdotes about how poorly people are being treated when they return home.

So, General, I would like a very specific report, as soon as possible, on the 442nd, on conditions at Fort Dix, what the Army and the rest of the services intend to do about radiation exposure, other kinds of environmental problems that may be contributing to some of these symptoms.

MYERS: Thank you, Senator Clinton. And you're absolutely right. We've got to do a first-class job of taking care of our troops.

And we'll look into the Fort Dix situation. I haven't -- don't believe I've seen those reports, but we'll look into that. That's very important.

In terms of the 442nd, my understanding is we have tested some of their members through urine samples, which is the way, I guess you detect things like depleted uranium and so forth.

We have not found anything. I'll look at the differences between European testing, Japanese testing, our testing. But you're right, we need to monitor and make sure we don't overlook things that could cause them problems later on. And that's a very important part of our responsibility.

MYERS: So I'll get you those two reports.

CLINTON: Well, I would look forward to that and a continuing effort to keep me informed about what we're doing on this medical testing and surveillance.

I don't want to go through what we went through after the first Gulf War.

And finally, Mr. Chairman, if I could. I appreciated Secretary Wolfowitz's response to Senator Cornyn about the many tactics that we should employ with respect to the war on terrorism. And I especially appreciated what he said about education.

I spoke this morning to the Council on Foreign Relations and urged that we place universal education on a much higher priority than we have heretofore. And I will be introducing legislation to try to better position our own country to do just what needs to be done with respect to education.

I share your concern about the madrassas. I spoke with President Musharraf when I was in Islamabad, and I feel strongly that we need a system that can leverage public support and private support. And I also obviously am concerned about investing in girls' education, because it is still the smartest, best investment with respect to promoting democracy and stability. And girls still face enormous obstacles.

So I would welcome the support of the administration in my education-for-all legislation. I would welcome the support of members of this committee on both sides of the aisle. Even if we could not be immediately successful this year, it would send the kind of statement that frankly, I think, we are in some need of sending to the rest of the world, that we are, you know, not only pursuing military action, not only recognizing the need for intelligence and law enforcement, but that education and health are critical components in our leadership in the war against terrorism and on behalf of freedom.

WOLFOWITZ: Senator Clinton, I agree with you. I think women are one of the most important forces for progress in moderation in the Muslim world for fairly obvious reasons. And actually, in Iraq, they are a substantial majority because of the unfortunate killing that took place over the last couple of decades. They're critical allies.

WARNER: Senator Clinton, I'd like very much to work with you on that issue of education. I share that.

CLINTON: Thank you.

"Wolf Blitz Reports," CNN, 5/4/2004

With powerful Senators now calling for hearings on the abuse of some Iraqi prisoners, we'll talk with members of the committee that would hold those hearings, including Senator **Hillary Rodham Clinton**. That's coming up next.

(BEGIN VIDEO CLIP)

SEN. **HILLARY RODHAM CLINTON** (D), ARMED SERVICES CMTE.: Leadership has to be responsible and held accountable and that is not just in the prison in Baghdad. That goes all the way up the chain of command.

(END VIDEO CLIP)

BLITZER: Also ahead...

(BEGIN VIDEO CLIP)

HAMILL: Glad to be back to an American installation.

(END VIDEO CLIP)

BLITZER: Former hostage Thomas Hamill makes his first public statement since escaping his Iraqi captors. His story is coming up.

And, a Saudi Prince says he knows who's behind recent terror attacks in his kingdom. He says it's not necessarily al Qaeda but Zionists. You'll hear his accusation. That's coming up as well.

(COMMERCIAL BREAK)

BLITZER: Why is Congress so upset over the Iraqi prisoner abuse scandal? We'll speak with Senator **Hillary Rodham Clinton** about the bipartisan call for hearings when we continue in 90 seconds.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

SEN. JOHN MCCAIN (R), ARIZONA: There are so many allegations whirling around this situation that we must have a public hearing with the secretary of defense testifying in order to clear up all of these allegations.

(END VIDEO CLIP)

BLITZER: There is clearly outrage in the U.S. Congress over the images of abuse in Iraq and some U.S. lawmakers are upset with what they say is the slow response by both the Pentagon and the Bush administration.

Just a short while ago, I spoke with Senator **Hillary Rodham Clinton** of the Armed Services Committee.

(BEGIN VIDEOTAPE)

BLITZER: Senator Clinton thanks very much for joining us. I know you're a member of the Armed Services Committee. How surprised were you and your colleagues by word of this prisoner abuse at the Abu Ghraib Prison in Iraq?

CLINTON: We were shocked, Wolf. There had been no notice to anyone on the committee, no briefing, not even an inkling and we've had a number of meetings with Secretary Rumsfeld, Secretary Wolfowitz, other civilian leaders from the Pentagon, as well as military.

And not a person gave us any indication that there was this ongoing problem that there had been a study commissioned and that the study had been completed and that the Pentagon knew the results of the study until the article by Seymour Hirsch was published.

BLITZER: Is it your opinion that people at the highest levels of the Pentagon, the U.S. military knew about this or they were kept in the dark themselves?

CLINTON: Well, that's one of the questions we have to answer. That's why we are demanding public hearings with Secretary Rumsfeld as soon as possible. Unfortunately, the information forthcoming so far has been totally insufficient. They have had a lot of contradictory answers to questions.

There's the story of General Myers calling CBS and talking to Dan Rather and asking that they not go forward with their own report about prison abuse. There's other indications that some people knew, other people didn't. Some people had vague ideas. They hadn't seen the report.

It doesn't matter. I mean the bottom line is that leadership has to be responsible and held accountable and that is not just in the prison in Baghdad. That goes all the way up the chain of command.

BLITZER: You met with top officials from the Pentagon, from the U.S. Army, earlier today, the Senate Armed Services Committee. Did they give you some good explanation of what happened?

CLINTON: Well, of course, that was a closed door hearing, so I'm not at liberty to talk about it, which is why we must have a public hearing as soon as possible and a number of my colleagues left that hearing and demanded that we move forward, that Secretary Rumsfeld appear in public and certainly Chairman Warner and Ranking Member Levin had made it very clear that they intend to hold that hearing as soon as possible.

BLITZER: Are you getting any sense that steps are being taken now in Iraq at prisons, in Afghanistan, at Guantanamo Bay in Cuba to try to do something about this situation?

CLINTON: Well, we've been given assurances that steps are being taken but, again, we need the facts. We need to know the results of the investigation. And, you know Wolf, this is not only a horrible series of events and terrible dereliction of duty and responsibility among some of our military but it also puts all of our soldiers and Marines at risk.

This is not just about doing the right thing on behalf of Iraqi prisoners and righting the wrongs that have been inflicted on them and sending a very clear message to the Iraqi people and to the world that this is an aberration, that this is not the way the United States military is expected to behave and certainly it was a small minority.

But this raises very difficult questions about the future safety of our own soldiers and Marines and it also calls into even higher relief the ongoing concerns many of us have about these private contractors. We can't even get a straight story as to who was in charge.

Were they civilians within the military? Were they civilians outside the military? Was it the military chain of command? This illustrates that there are many, many unanswered questions about the use of private contractors and the apparently confusing and unclear chain of command at work but my...

BLITZER: Let me press you on one point. How specifically does it endanger U.S. military personnel?

CLINTON: Well, from my perspective any time you have a public display like we've now seen not just on our own television stations, such as yours, but literally around the world that undermines the ability of all of our troops to do the job that they are intending to do.

And, you know, I want to make it absolutely clear that we will get to the bottom of this. We will conduct a thorough, public investigation. All people who are in any way responsible will be held accountable and that the vast majority of our young men and women who are serving, whether it's active duty, Guard, or Reserve, are living up to the expectations that we all have for them.

So, I don't want their reputation or their safety undermined by those who might be inflamed who previously weren't because of this incident to join the insurgency, to perhaps take out, you know, personal revenge against any individual American, military or civilian. This is criminal conduct. This is absolutely unacceptable and we will get to the bottom of it.

BLITZER: Senator Clinton, but as you know in wartime, there are proven, there are used methods of interrogation including hooding, putting hoods over the heads of prisoners, prisoner sleep deprivation, food deprivation, humiliation. These have been used for as long as prisoners in wars have been interrogated. Should the U.S. rethink those methods?

CLINTON: Well, first of all, Wolf, there is the Geneva Convention about the treatment of prisoners of war and there is protocol that certainly members of the Intelligence Committee and others have been briefed on as to what is expected with respect to interrogations carried out in the name of the United States.

I don't care whether it's military or civilian. Anyone acting on behalf of our government is supposed to abide by certain rules and regulations. Clearly, there are interrogation methods that are deemed appropriate but what we have seen on our television screens in no way can be considered appropriate or necessary or frankly even effective.

So, I think that there are rules that every soldier is supposed to be briefed on. Obviously, those who are in some role of responsibility with respect to interrogation are expected to know even more about what the lines are and where they can and cannot cross. What we've seen in the last several days and what's been reported in the press is absolutely unacceptable as interrogation techniques in time of war.

BLITZER: Senator Clinton thanks very much for joining us.

CLINTON: Thank you very much, Wolf.

(END VIDEOTAPE)

U.S. SENATOR HILLARY RODHAM CLINTON (D-NY) DELIVERS REMARKS AT ANTI-DEFAMATION LEAGUE NATIONAL LEADERSHIP CONFERENCE, 5/4/2004

CLINTON: Thank you.

Thank you very much, Chris. That was such a warm, wonderful introduction, I don't think I should say anything; I think it should speak for itself. But I thank you for those kind words.

And I'm delighted to be here with you this morning. I'm only sorry that I missed Crystal's speech, because, as Chris said, I am so impressed by and supportive of A World of Difference and Team Harmony, and I'm delighted that Crystal could be here, especially from New York, to address you this morning.

I am so impressed with ADL because its mission has been so clear and consistent over so many years. And Abe Foxman has been a voice against not just anti-Semitism, but discrimination and hate crimes and bias and destruction of the human spirit for so many years. And it's a great pleasure to work with Abe and to support him and his many efforts.

And he couldn't do it without a board like this and supporters and contributors like all of you, because it's really a commitment to an ongoing effort against hatred and discrimination and ignorance wherever we see them.

And fulfilling this mission of promoting tolerance and religious freedom and respect for human dignity has never been more important. You know, there have been many, many incidents that disturb us with respect to anti-Semitism in Europe and the Middle East, here at home, that deserve our close attention and our condemnation.

But it is clear to me that we are facing a very difficult, challenging time for a period of years that none of us necessarily can predict, but all of us must be prepared to endure.

And the work that you're doing is timely as it always is, but it's especially important in today's new environment.

With respect to anti-Semitism, I am not someone who can tell any of you what it feels like, what it means, how distorting of the human spirit it truly is.

CLINTON: But I do know that it remains one of the cancers of humanity that has to be rooted out with not only organized efforts, such as ADL, such as the Berlin statement, but every day, every single day by every individual of good faith and respect for human dignity.

Sometimes anti-Semitism is stoked by leaders who use it for their own purposes, and sometimes it is just a manifestation of the hatred and ignorance that ADL combats every single day.

Whatever the source, wherever it's found, people of all religions, races and ethnic origins have to speak against it, because we know so well it is at root not just anti-Semitism aimed at Jews, aimed at Israel, but it is a manifestation of a deeper and much more virulent form of potential violence against human beings. It's not just words; it leads to actions.

I'm very pleased that I was asked to take on the lead on a stand-alone resolution for the Democrats in the United Nations General Assembly condemning anti-Semitism. This resolution would help create a broader public commitment and raise greater public awareness, and it would give the chance to leaders to publicly condemn such hatred and to begin to take action individually and collectively against it.

I also plan to introduce a bipartisan resolution in the United States Senate condemning anti-Semitism and those who perpetuate it.

CLINTON: It may seem, as some have said, more symbolic than anything else -- and that's true, it is a symbol, it is a resolution -- but I think we have to do more of this to symbolically and practically point out the growing anti-Semitism that we see in our own country and elsewhere.

We need to shine a very bright light on it. We need to pull it into the daylight out of the darkness so that everyone can see it for what it is.

I continue my work to try to ensure that textbooks and official publications, such as national newspapers, are held accountable for anti-Semitism, for hate speech; particularly in the Palestinian textbooks, it has been an ongoing incitement that they've continued their anti-Israeli, anti-Semitic teachings. And I have spoken out against that incitement and I think it's imperative that we continue to do so.

I recently held a hearing with Senator Specter where we played some of the video of Palestinian television that seemed to both highlight and glorify suicide martyrdom and brought that into a Senate hearing room so that people could see the perversion of childhood and the destruction of innocent life through the manipulation, again, of symbols that deeply offend any fair-thinking person of conscience.

I think it's also clear that we face some very difficult challenges here at home. And while we stand against anti-Semitism, while we stand against the continuing terror and violence

against Israelis, we also have to be clear that we stand against the horrible pictures coming out of the prisons in Baghdad; that we are rejecting any kind of mistreatment or stripping of human dignity by anyone, including our fellow Americans.

CLINTON: And if we have a consistent message -- which ADL has always had, which is why I respect what you do so much -- that consistent message must be we are against hatred, violence, propaganda, bias, mistreatment, anywhere, anytime.

ADL, obviously because of your history and your incredible level of deep commitment, stands first and foremost as the sentinel against anti-Semitism, but I know from my own experience before the White House years and during, and certainly in the Senate, ADL often is on the front lines when bias and hate crimes anywhere are occurring.

We need to remain vigilant with respect to that possible breach of human rights and human dignity by our own country as well, because it is imperative that the United States continue to be the model of respect for human rights and dignity.

We have a long road ahead of us to defeat those who value death over life, who are nihilistic. And we cannot let them gain any allies anywhere. We cannot let them convince anyone that their way is preferable to what we know is the not just way of freedom and democracy, but the way of humanity and a better future.

With respect to the ongoing efforts to undermine Israel's standing in the world community, most recently by the General Assembly vote to take the issue of the fence to the World Court, I and my colleagues have raised the very strong argument against that, making the case which I think is so obvious to be made that this is an effort by Israel to avoid violence, not to provoke violence.

(APPLAUSE)

You know, what is it Robert Frost who said fences make good neighbors? That the effort to prevent the ongoing violence, such as the murder of the pregnant woman and her children over the weekend, has to be the highest obligation of any government.

CLINTON: I tell people who disagree with the letter that I sent, along with Senators Hatch, Schumer and Smith, to the World Court and to the secretary general of the United Nations protesting the International Court of Justice's decision to hear this case; I ask them what would we do if we have constant incursions from Canada or Mexico, that people were coming over our border on a daily, weekly basis and killing innocent civilians? What would we do?

Well, we would obviously take action, and I think that is the right of self-defense and the responsibility of any government to do.

(APPLAUSE)

Now, let me just close because I mentioned as I came in that the Armed Services Committee, on which I do now serve, is holding a closed-door hearing about the issues in the prisons in Baghdad that I have to, sort of, accelerate my schedule to get to this morning.

So let me just close and then maybe one or two questions if we have time, if that's OK, by thanking you, by encouraging you to not only lobby today, but to make sure your voices are heard every day, because this is a period of time when we need strong voices against hatred and violence, and voices of conscience and morality. Because we are, yes, in a war against terrorism, but we're also in a war for the future, and I cannot stress that enough.

This is a war for the kind of future that we will have for our children, and I hope someday grandchildren, in my case...

(LAUGHTER)

... here at home and the kind of future that we will have in the world. And we therefore, more than ever, need the strong voice and the strong agenda that ADL has represented and championed for so many years.

Thank you very much.

(APPLAUSE)

QUESTION: It appeared to many of us in the late 1990s that you were sympathetic to the Palestinian cause. I'm curious, is this something that you've changed your mind on? And if so, what has affected that?

CLINTON: Well, what I said in the late 1990s is that I thought there had to be a Palestinian state at some future date in order for there to be any resolution of the ongoing terrible violence and insecurity that afflicted the region and that caused such hardship and harm to the Israelis.

I think that is now a position adopted by everybody, including this administration. How one gets there and how it is structured is, obviously, off the table right now because you cannot have any kind of negotiations or any process until and unless the Palestinians have leadership that will not only end the violence and control those who are intent upon violence, but willing to deal with the Israeli government and people in good faith.

(APPLAUSE)

QUESTION: As you know, ADL is a civil rights organization and we are vitally concerned about the balance between, on the one hand, the need for security and, on the other hand, the need for the preservation of civil rights. Could you talk a little bit about your concerns about the Patriot Act and how you see that evolving?

CLINTON: I think that's a very important question and I'm glad you raised it, and I'm glad that ADL is looking into this.

It is a new kind of balancing act for us; that's obvious. And I voted for the Patriot Act originally because it included a number of changes that had to be made.

Just one quick example: It was very difficult under pre-Patriot Act law to deal with the surveillance of cell phones. You know, the laws really focused on hard lines.

CLINTON: You know, you got a warrant, you pinpointed a telephone in a place, and we know that technology had outpaced those laws basically from the '60s and they had to be changed.

There were some -- I had some concerns about some of the other provisions, but on balance I thought it was appropriate to support the Patriot Act because it was sunsetted. You know, I did not agree to support it until it had a sunset, because in the wake of 9/11 we had no idea what was going to happen next. And as a senator from New York, I may have taken the challenges we faced even more personally, so my perspective was, "Let's try to get what we need, like the surveillance changes. I'm a little bit worried about some of these other provisions, but let's be honest about evaluating them when it comes up for reauthorization," which is where we are as of next year.

That's what I think we need to be engaged in. We need an honest evaluation. We don't need demagoguery on either side of this issue. We don't need people who are trying to scare everybody to death and we don't need people who act as though we're in the same environment we were in the past. You know, that is not useful.

We need a thoughtful public debate where we carefully look at what provisions are working, which provisions are not, and then we try to balance the necessary contradiction between security and liberty.

You know, our founders really got it right that we have to always try to balance the scales, if necessary, a little bit more in the liberty direction than the security direction. How we do that in a 21st century environment with all of these new threats is what I'm interested in. I'm not interested in anybody in the administration going around basically having cheerleading camps about the Patriot Act, and I'm not interested in people who act as though we're still living in the days of Al Capone and that's how we should go about our surveillance and law enforcement.

So this is going to be a debate where ADL's voice could be very important in helping us to weigh and balance correctly these scales that we are going to be confronted with.

I don't know that we will get to this debate before the election, which actually is probably just as well, because it doesn't expire until next year.

CLINTON: But I think even those of us who are absolutely committed, as I am, to doing everything I can to make sure that we are as well-equipped and well-resourced and as vigilant as possible in the war on terror, are concerned about some of the extensive interpretation under the Patriot Act and some of the decisions made by the administration which I think are hard to justify.

But that's what we should have a debate for. You know, I've said several times in the last three and a half years that I worry that there are those in Washington now who want to turn Washington into an evidence-free zone, that facts don't matter, evidence doesn't matter, all that matters is ideology and passion.

That is not the way we became a great country. We became a great country by...

(APPLAUSE)

... reason and thinking.

So I will look to ADL as one of those groups that I think can help us get that right balance. And I appreciate your question and I appreciate your commitment.

I think since there are so many on the right and so many on the left who are worried about the Patriot Act, that's a good sign, and we ought to be able to figure out how to end up in that mushy middle, you know, that center ground that basically has marked the best place for America to stand over the length of our very long history.

So let me thank you. And I'm sorry I have to run off to finish all my other obligations before I go to this hearing, but I really think I need to be there when we hold this closed-door hearing and hear from our civilian and military leadership.

But again thank you so much for what you do every single day.

(APPLAUSE)

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON TREATMENT OF IRAQI PRISONERS, 5/7/2004

CLINTON: Thank you, Mr. Chairman.

CLINTON: I think, Mr. Secretary, that you can discern from the questions that there are still many issues that we need further clarification on. I particularly look forward to the answer that you will provide to Senator Reed's last question -- following up on his line of questioning

concerning the enabling of interrogation by M.P.s, something which, based on Army regulations, was not to be either done or condoned.

But, Mr. Secretary, in January 2002, when you publicly declared that hundreds of people detained by U.S. and allied forces in Afghanistan do not have any rights under the Geneva Convention, that was taken as a signal.

And it is clear in looking through the number of investigations that are currently ongoing, that it wasn't just this particular battalion but others that did not receive appropriate training and information about their responsibilities with respect to detention or the Geneva Convention.

The atrocities that have been depicted in photographs were very graphically, verbally, described in the Taguba report. It doesn't take a lot of imagination to read those descriptions and have one's stomach just turn in disgust.

The focus on the pictures being released is, with all due respect, missing the point. The report was well known, and apparently discussed on numerous occasions. And obviously, the release of the pictures to the entire world was devastating.

But the underlying conduct, and the failure of the command, both at the site and further up the chain, to act with the appropriate quick response, is really at the heart of what the most serious problems we face here today are.

CLINTON: The information in the Taguba report links the atrocities at Abu Ghraib to Camp Buka. In fact, some of the same people, some of the same command, some of the same M.P.s were involved apparently.

And with respect to the recommendations at the end of General Taguba's report, they call for establishing the conditions with the resources and personnel required to prevent future occurrences of detainee abuse.

I would appreciate, since we don't have time in this round of questioning, to receive for the committee a report about exactly how that is being handled. What changes have been made? Are the Geneva Convention training going on now? Are the appropriate rules being posted in both English and Arabic?

And certainly an explanation as to the adequacy of the punishment that was meted out because, with respect to who was being punished for what, there is a clear distinction -- at least as reported by General Taguba -- between enlisted personnel and those up the command.

But I'm also concerned by a related matter. And let me just quickly reference the case of Chaplain Yee, the Muslim Army chaplain from Guantanamo Bay who was arrested and placed in solitary confinement. Ultimately all of the charges were dropped after his reputation was sullied.

CLINTON: It's obvious that the information about this particular case came from government sources. It was pushed out and it was widely disseminated.

So, Mr. Secretary, how is it that a case with no basis in fact gets such widespread publicity, based on information from government sources, while egregious conduct like that at the Abu Ghraib prison is cloaked in a classified report, and is only made available when the investigation is leaked to the press?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQI PRISONER ABUSE, MORNING SESSION, 5/11/2004

CLINTON: Thank you, Mr. Chairman.

And I want to join in thanking you, General Taguba, for your service and for this report.

You know, I don't think anyone disagrees with the last comment by my colleague that our objective is to prosecute this war on terrorism successfully and also to ensure the safety and security of our own people from future attacks. The question is whether behavior and conduct and decisions with respect to the treatment of these detainees undermines the potential success that we all agree is essential to our national security.

I am still confused, and my confusion is this: With respect to the actions that are described in your report, General Taguba, you also included a number of other problems at other detention facilities. But is it your best information that no detention facility that was in any way connected with the 800th M.P. Brigade had the level of problems that you reported in this unit at Abu Ghraib?

TAGUBA: Yes, ma'am. The scope again was within the context of those facilities that the 800th M.P. operated.

CLINTON: And the 800th M.P. Brigade was under the command of General Karpinski. Is that correct?

TAGUBA: Yes, ma'am.

CLINTON: Now, if the problems were severe and located principally in this one unit, then I think it is appropriate to follow the chain of command up to the decision to send General Miller to that prison where, as I understand the testimony thus far, he set up a specific joint interrogation unit. He did, however one wants to describe it, either coordinate or direct the M.P.s' involvement in the conditioning of the detainees.

CLINTON: Is that a correct statement, General?

TAGUBA: Yes, ma'am.

CLINTON: All right.

So it seems to me that if, indeed, General Miller was sent from Guantanamo to Iraq for the purpose of acquiring more actionable intelligence from detainees, then it is fair to conclude that the actions that are at point here in your report are in some way connected to General Miller's arrival and his specific orders, however they were interpreted, by those M.P.s and the military intelligence that were involved.

And, therefore, I for one don't believe I yet have adequate information from Mr. Cambone and the Defense Department as to exactly what General Miller's orders were, what kind of reports came back up the chain of command as to how he carried out those orders, and the connection between his arrival in the fall of '03 and the intensity of the abuses that occurred afterward.

Now, we know that General Karpinski has been rightly singled out for appropriate concern about her behavior and her failure of command.

But I just want to read to you a comment she made in an interview which I find extraordinary, and I quote, "But when I looked at those pictures and when I continued to see those pictures, I don't think that there was anything that was improperly done because this

wasn't something that was a violation of a procedure. This was something they were instructed to do as a completely new procedure. I'm not sure that those M.P.s had ever been confronted with any instructions like this before."

CLINTON: General Taguba, can you explain for us the disparity between holding this brigade commander completely accountable and the comments that I just read to you in light of the fact that certainly the 205th Military Intelligence Brigade was given tactical control over that prison? Can you explain General Karpinski's comment?

TAGUBA: Yes, ma'am.

During the course of our investigation, there was clear evidence based on my interview of General Karpinski and Colonel Pappas that there was friction between those two commanders in the operation of Abu Ghraib.

The distinction was that who was in charge of when and at what time. They could not explain, so that's the context of the ambiguity of the order that was given to Colonel Pappas. It was clear that he was directed to be the forward operating base commander there for security detainees and force protection. However, General Karpinski challenged that and she noted that in her recorded testimony, point one.

I held her accountable and responsible, not exclusively and solely for the abuse cases there at Abu Ghraib, but the context of her leadership, the lack of leadership on her part overall in terms of her training, the standards, supervisory omission, the command climate in her brigade.

TAGUBA: Those are all in totality why I held her accountable and responsible now.

CLINTON: And just one last follow up, General. Did Colonel Pappas report directly to General Miller?

TAGUBA: That I did not know because General Miller was not there. He reported, I believe, to CJTF-7.

CLINTON: General Smith, do you know who Colonel Pappas reported directly to?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQI PRISONER ABUSE, AFTERNOON SESSION, 5/11/2004

CLINTON: Well, I thank my friend and colleague. I don't think that's the right order, but I won't argue about it.

Mr. Chairman, I first want to thank you for your leadership of this committee. The last two days have been extremely challenging. And in every way, you have given tremendous leadership.

And of course I thank our ranking member, who's been by your side the whole time. This is not anything any of us would wish on our Army or on our Senate or on anyone in any administration. But it comes to us to try to deal with this and to understand it as best we can.

And I thank each of you for the time you've spent with us this afternoon.

WARNER: Well, I thank you, Senator. To the extent that Senator Levin and I have given this particular series of hearings leadership has been highly dependent on the total cooperation of every single member. We've had 100 percent attendance of our committee for two days.

CLINTON: Gentlemen, I am still trying to understand exactly what some of the testimony we've already heard actually means.

When General Sanchez, on November 19th, 2003, issued what has been referred to as a fragmentary order, effectively placing Abu Ghraib under tactical control of the 205th Military Intelligence Brigade, is that the only instance in which General Sanchez placed any other facility under military intelligence command?

ALEXANDER: Yes, ma'am, because I think that's the only place where there is an intel unit of that capability under him. So that's the only place. There is only one. It is the 205th.

CLINTON: When you say intel unit, you're talking about the 205th, right?

ALEXANDER: In my brigade, yes, ma'am.

CLINTON: "In my brigade." And they were solely assigned to Abu Ghraib?

ALEXANDER: No, they were not solely assigned. They were subordinate to General Sanchez as the theater -- the corps-level brigade that they have for the theater of Iraq.

Their headquarters was about 20 miles south of Abu Ghraib. And he was the closest senior tactical leader that General Sanchez had to go in and fix what he saw as severe force protection issues at Abu Ghraib.

And, ma'am, I would have done the same. I think the force protection issues that he had, the fixing of the facility for both our soldiers and the detainee were things that he saw were languishing.

CLINTON: General Alexander, may I just clarify that for my own understanding?

When Secretary Cambone testified this morning, he said that the 205th Military Intelligence under Colonel Pappas, as I recall, was given control of the facility but not of the M.P.s. That struck me as a distinction without any meaning.

Was Colonel Pappas put in charge of the facility under General Sanchez's order?

ALEXANDER: As I understand it -- and this is one that I said early on we need to take for the record to get General Sanchez's language on here exact. As I understand it in my discussions with General Sanchez is that what Colonel Pappas was put in charge of was this facility of Abu Ghraib, which had the prison. It had the living area for the soldiers. It had the feeding area. It had the perimeter security. It had the M.P. detention area. It had an Iraqi criminal area. It had a joint intel and debriefing center.

And so this whole base, very much like Fort Drum but smaller, this base, the garrison commander -- and that's the distinguish that I think Dr. Cambone tried to make. The one responsible for fixing the garrison of Abu Ghraib was removed from the M.P. to the M.I. battalion commander.

I do not believe that it was General Sanchez's intent to take the security detainee of those other detainees and say to Colonel Pappas you also tell the M.P.s how to do detainee operations. I believe that was not -- in his comments to me said that.

But we need to get his statement for you on that because I think he was the -- he was the commander on the ground that made that decision.

CLINTON: That would be very helpful. Also, as I am piecing together the chronology, the order by General Sanchez apparently flowed from a set of recommendations from General Miller. Is that correct?

ALEXANDER: No, ma'am, it did not. Although your chronology is correct in terms of General Miller was their in August 31st to roughly 9 September. There were a series of incidents of force protection. And I think it's important to note that Abu Ghraib was totally almost demolished in many areas before the 1st of August so the engineers had to go in and build it.

That part of building it up is some of the stuff was General Miller got to there.

ALEXANDER: The actual compound for detaining these folks was at what was called Old Camp Cropper -- the old Camp Cropper area. And then that was moved -- those folks were moved as they opened this up from the mid-August to mid-September time period up to Abu Ghraib which became the theater holding and became the joint intel and debriefing center.

When General Miller went there, the concerns that he had, as General Burgess brought out, was intel fusion, synchronization, the flow of information and how you worked together as a team to accomplish the mission.

Nowhere in my military experience have I ever seen it where an intel person goes down and tells a M.P. that we soften the units up and that's good behavior. That is totally wrong. We ought to find out if anyone did say that, hold them accountable.

Now, in October there were a series of International Community of the Red Cross visits throughout Iraq. And two times, they visited Abu Ghraib. And it was those statements that came out in that document that you've seen that was given to General Karpinski in a draft form for her to respond on the 24th of December. So that was 6 November.

And so as you look at the sequence of events, there were a series of mortar attacks and persons injured that went on through early November that I think led General Sanchez to say I have a responsibility to protect my forces. You're not moving out fast enough. Colonel Pappas, I want you to move your unit up there and take charge there for that force protection mission and for getting these initiatives, the quality of living for those soldiers fixed.

And ma'am, you're familiar with that quality of living because it's the same thing we would say for our soldiers at Fort Drum. If we put them in -- the didn't have heat up there, being promoted was in New York state, if you don't give them heat and they are living in barracks without heat and the garrison commander went two months without having heat, he'd be out of there and you'd put a new one in charge.

And I think that's what General Sanchez did. And I think that was clearly -- I think it is being read into the events that General Miller said these nefarious things that causes this to happen. Ma'am, I do not see that and I do not believe that is correct.

CLINTON: Thank you.

"Larry King Live," CNN, 5/19/2004

KING: Welcome back to LARRY KING LIVE. We now turn our attention to the two high elected representatives, the two Senators from the state of New York, the senior senator, Charles Schumer and the junior senator, **Hillary Rodham Clinton**. They are both Democrats.

Senator Schumer, what's your follow-up to what we just heard tonight from Governor Ridge and Mayor Giuliani, and the whole hearing this morning?

SEN. CHARLES SCHUMER, (D) NEW YORK: Well, the bottom line is I think the commission's doing a very good job. They're getting to the bottom of this. And we have to learn what

went wrong, not to point fingers of blame, but rather to figure it out in the future and make it much less likely to happen.

Both Kean and Hamilton, particularly, are leaders. I know them both well. They're nonpartisan. They're not interested in being nasty or finger-pointing or political. They just want the truth so we can move forward. So, overall, I give the commission very high marks.

KING: Senator Clinton, what did you make of the emotional reaction of some of the people in the audience there this morning?

SEN. **HILLARY RODHAM CLINTON**, (D) NEW YORK: Oh Larry, I think we all understand the emotion. Chuck and I have been together on this so many times meeting with so many people who lost loved ones, who were injured. And there's a lot of grief and anger and distress, which is totally understandable.

I think the commission has taken exactly the right tone. They're going at this, not only in a nonpartisan independent way, but in a very calm way, that I think builds a lot of confidence. So that when they come out with their report, they will be able to give us some insight into what happened. But I hope, even more than that, they can give us some suggestions from their investigation, about what we all should be doing to get better prepared for the future.

KING: Senator Schumer, do you agree with both Ridge and Giuliani, that when and if it happens again, reaction will be better?

SCHUMER: Yes. I think -- look, I think we're considerably better prepared than we were before 9/11 on two fronts. On offense, I think we know more about al Qaeda and other terrorist groups. We're able to thwart some of the things they are doing. We have a ways to go there. And on defense, we're better, too. That's not to say we're where we want to be, but we're better off.

One caveat though that I would give here is, the terrorists are smart. And when they hit us again, if they do, God forbid, they'll probably do it in a different way than they did it before. And so to just say, well, how are we going to prevent planes from flying into buildings and evacuate buildings is not going to be good enough.

Tom Ridge, I think, said it well earlier tonight. You have to look at every front, because they look for our weak pressure point, the place we're doing the least -- and they can learn that from the Internet -- and then they strike.

KING: Senator Clinton, is there something you're more fearful of?

CLINTON: Larry, I spend a lot of time on the Armed Services Committee, with respect to homeland security, trying to think of every way that we remain vulnerable. We have made a lot of progress. But I agree with Chuck, we can't ever let our guard down. We have to keep asking, what more do we need to do? We've got to have the right strategies, both on offense and defense to protect ourselves.

I think we've learned a lot since September 11. I'm not sure we've implemented, yet, everything we've learned, or that we have thought creatively enough, unfortunately, like the terrorists. I mean, we have to sort of get inside their minds to predict what they might do to us, in order to prevent that from happening.

KING: Senator Schumer, Mayor Bloomberg says that New York received only \$5.47 per capita in homeland security grants this year, second lowest in the nation. He said the grant distribution is pork barrel politics at its worst. Do you agree?

SCHUMER: Yes, I think the mayor has a point here. We should not, sort of, take the homeland security dollars in an airplane and just spread them randomly in the country on a per capita basis, or even worse. And that's because certain areas have higher vulnerability. We have to focus on the highest need areas.

In the first year, the formula was pretty good. Hillary and I worked on that and we were able to get the high needs areas to get the dollars they need. But I guess as you go forward from 9/11, and it is true, each area thinks they have their own needs, it sort of got spread out more now. Something good may have happened. I was with Tom Ridge right in the anteroom here, as he came out, and I was ready to come on, and we had a five minute conversation about getting that formula back to the way it was two years ago.

KING: What did he say?

SCHUMER: He said he would do it. And he's -- I believe he wants to do it. I just hope others in the White House don't overrule him. Last year, I think he also wanted to do it, but we didn't -- we didn't get the kind of cooperation we needed. But it should be done on need, not simply on per capita.

KING: Senator Clinton, what's your input?

CLINTON: Oh, I agree with that completely. You know, Chuck and I have been beating this drum for three years now. We have said over and over again we that don't have enough money and we haven't allocated the money in a way that reflects what the real threat is.

Every piece of intelligence I see, with respect to threats always mentioned two cities, New York and Washington. There are other places mentioned, but it's a continuous drumbeat of intelligence with respect to both of these cities. So, we have to do a better job.

I have spoken with Secretary Ridge numerous times. I saw him also as he was leaving the set. And he does want to do the right thing, but the president and the Office of Management and Budget all have to weigh in with our colleagues. It's just the nature of legislating that people feel like they've to get their piece of the pie.

The problem is that the most important areas to protect need more help. And I hope that this year, we get the kind of results that we've been promised in the past.

You know, I spoke at the Conference on Mayors back in February. Before I spoke, the president came. And he said, I know that the homeland security aid, has been stuck, we're going to get it unstuck. Because we have a second problem, it's not only that we don't get enough money targeted where it's most needed, lots of times it gets stuck in the pipeline, it doesn't get out of Washington fast enough, it doesn't get out of a state capitol fast enough. It doesn't get into the hands of the first responders, the police and the fire departments that are really the people on the front line.

So, Chuck and I have been sort of sounding this alarm now. I hope that finally, we're going to be able to get the kind of reaction that will give us the money we need in New York, Washington and in the high threat areas.

KING: Senator Schumer, how do you assess the security for New York City this summer, the Republican Convention?

SCHUMER: You know, New York City has been doing a great job. Our police, our fire, our emergency people -- people learned on 9/11 how phenomenal they are. Hillary and I knew how good they were long before that, and we see it now. And they're doing a great job.

New York City is going to spend, you know, over these few years, probably close to a billion dollars on its own security. It is really not fair for the taxpayers of New York City, this is a national and international problem. We're a national city in so many ways, to do it.

But given that constraint, New York City, both under Mayor Giuliani and Mayor Bloomberg, I give them both credit, said, look, even if we're not getting the federal dollars we need, we're going to spend them.

I think the convention is going to go really well. I think that New York has a great robust tradition of protest. And we're going to see a lot of protest, but it's going to be safe, it's going to be secure. And I have a lot of confidence. I've told people. A lot of people have

asked me, they say, "Well, should I go away? Should I close my business down?" I said, "Nope, you watch, New York is going to do a very fine job."

KING: But Senator Clinton, are you worried?

CLINTON: Well, I think you always have to be worried. We live in very difficult, dangerous times with respect to global terrorism. But just because you're worried, doesn't mean that you can't go about your ordinary, daily life. You have to keep things in the back of your mind. We need every New Yorker, every American to be more vigilant. If you see an unaccompanied bag, or backpack, you need to report it. So, we do need people to be, you know, a little more alert, but not alarmed.

And I agree with Chuck, I think the convention is a great event for New York. I want the Republicans to have terrific time. I want everybody to appreciate the greatest city in the world. And we have the finest police and fire department and emergency response team that you could find anywhere in the world. Everything that can humanly be done, will be done.

But I just want to underscore what Chuck said. We're reaching really deep into the pocket of the New York citizen in order to pay for the extra security and everything that goes along with protecting and preparing for New York. And we need some more help from the federal government in order to be able to do everything we know needs to be done, and to be able to afford to do it.

KING: We'll take a break. We'll be back with some more moments with our 2 Senators. And we'll close it out with Governor Kean and Lee Hamilton, the chairman and vice-chairman of the 9/11 Commission. Don't go away.

(BEGIN VIDEO CLIP)

UNIDENTIFIED MALE: You know, I said, that's going to go down, like the first one. And it came down, and it was just this sound, this rumble and this mass cloud coming at us. It's intense.

(SCREAMING)

(END VIDEO CLIP)

(COMMERCIAL BREAK)

KING: We start with Senator Clinton this go around. The 9/11 Commission report is due July 26, Senator Clinton. Do you expect the White House to vet it right away and let it out?

CLINTON: I hope so. I don't want this to be part of the political process. And I think the sooner that it's out, the better for everybody. As I say from my observation of the commission, I think they have conducted themselves admirably, really above politics. Obviously, they have strong-willed opinionated commissioners. That's the American way, they have opinions about things. As a group, I really believe they've tried to just focus on the issues that they could address to try to come up with some facts about what happened and some recommendations about where we go here. So I hope it gets out as soon as possible.

KING: What do you think, Chuck?

SCHUMER: I agree with Hillary completely. One point here. You know, the White House has gotten the ability to look at the report and redact certain items. I hope those redactions, you know, where they block things out are as few as possible. I think one thing I hope they learned is, in a sense, the truth will set you free, you can't win on something as cosmic, as important as this, hide things, hold things back. That's been the history, when they tried not to cooperate in the early days, they basically had to, and it was frankly the will of the families, the families you heard earlier, you had earlier on your show and we heard today, who just pushed this, and they are sort of the beacon of this report. They've had such

passion to get the truth for the right motivations completely. Instead of just cursing the darkness with a hole in their hearts because of the loved ones they lost. They're trying to do some good here. So the White House ought to just put it out quickly and redact anything that has a national security purpose but nothing else.

KING: And off track just a minute for a moment. We have about three minutes left. Senator Clinton, do you think New York City should get the Olympics?

CLINTON: Of course. It's not even a close call.

KING: As busy as that city is, you need that?

CLINTON: You know what, if you want something done, give it to a busy person. If you want something done really well, give it to New York. I just feel like it would be such a great tribute to the courage and resilience of New Yorkers, to bring the Olympics to a city that deserves it and can really give the world a great time.

SCHUMER: If we have the Olympics here, Larry, the Olympiads and the people performing and the people who come, they've not seen nothing like this yet. It will be just the greatest. There's a little bit of anti-American sentiment on the IOC, from what we've been told, especially among the European nations. We hope they can overcome that. New York is not only a national city, we are a universal city. Everyone abhorred what happened on 9/11. There would be no better way to repudiate the terrorists and back up New York than choose New York to be the center for the Olympics.

KING: But Senator Clinton, look at how much money -- you've talked about money already, how much you're laying out in security, what you would have to lay out for this would be enormous. Of course, you would get a lot back.

CLINTON: Well, part of the plan for attracting the Olympics is to make some very important investments in our infrastructure. There are so many people excited about bringing the Olympics to New York that there will be so much private money that will go into developing the infrastructure that we need. I'm just confident that New York can pull it off in a world-class way and I hope that the world will give us this opportunity to do just that.

KING: You think you got a shot, Senator Schumer?

SCHUMER: I do. I think that we have an indomitable fellow there, Dan Doctoroff, who's had this idea. He's sort of -- you know, you say one person can't make a difference. He went to a soccer game -- there was an international soccer game in New York City. He's a native of Michigan like so many people, came from somewhere else and he loved it and it hit him as he was at the soccer game, why don't we try to get the Olympics here. He's pushing and pushing. He will be lobbying every one of those IOC commissioners. I think he's going to win them over. It's the right decision to come to New York. I have hope, maybe faith, but certainly hope that the IOC, the commission will do the right thing and bring it here. And again, we'll have the greatest -- it will be the greatest time for the world, a unifying factor for a world that's now so divided.

KING: And finally, for both of you. Senator Clinton, do you have a favorite for John Kerry to select as a running mate?

CLINTON: Larry, it's such a personal decision. I'm going to support whoever John picks, I have a lot of confidence in his judgment. I think he's doing a terrific job on the campaign trail, he's gaining ground every single day. This is a big and important decision for him but he's going to make one that he feels good about. I think it will be a terrific ticket and a winning ticket in November.

KING: Senator Schumer, do you have anyone you particularly would favor?

SCHUMER: I have my own thoughts. I think we're best to leave this to the presidential nominee. The chemistry is important. He's got to feel right about it. And, if he feels right

about it, I think everyone will feel right about it. So I'm not going to impose my -- if he asks me privately, I'll tell him my view. I'm not going to shout it out to tens of millions of Americans here. Let him decide and we'll back who he chooses.

KING: Both of you will campaign extensively?

CLINTON: Absolutely.

SCHUMER: No question about it.

KING: Thank you both very much for sharing this time with us. Senator **Hillary Rodham Clinton** and Senator Chuck Schumer. Before that Governor Tom Ridge, secretary of national security and Mayor Rudy Giuliani, the former mayor of city of New York. We'll take a break and when we come back, we'll close out the program with Thomas Kean and Lee Hamilton, the chairman and vice-chairman respectively of the 9/11 Commission. Don't go away.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQ PRISONER ABUSE, 5/19/2004

CLINTON: Thank you, Mr. Chairman.

And I thank our witnesses for their service and for their appearance today. I know it's not an easy assignment to be here, given especially all your other responsibilities.

But it is in line with this committee's constitutional and institutional responsibilities, and I believe all of us are trying to discharge them to the best of our ability.

CLINTON: General Miller, I would like to return for a moment to this document that's been much discussed on interrogation rules of engagement.

General Sanchez characterized this document as having been developed at a relatively low level, at the company level, and indicated that he had not seen it before it became public at our hearings. But in an annex to the Taguba report, it's revealed that this document was briefed to you as part of a situation report when you visited Iraq in August 2003.

What was your reaction to that document at that time? And did you have any concern that the techniques described would violate the Geneva Convention?

MILLER: Senator, that report is incorrect. At no time was that document briefed to me during my visit in the August-September time frame.

CLINTON: Was it briefed to you at any time prior to that or following that period?

MILLER: Senator, that document was never briefed to me at any time.

CLINTON: Were the contents of the document briefed to you, General?

MILLER: The contents of that document were not briefed to me.

CLINTON: So it's not only that you never saw the document, the slide. You were never briefed, orally or in writing, about the contents of that document. Is that correct?

MILLER: Senator, that is absolutely correct.

CLINTON: General Sanchez, at a hearing last week, General Alexander, the head of Army Military Intelligence, distributed that slide to the committee. He stated at that time that the slide was prepared by CJTF staff, your staff.

Do you know where General Alexander obtained the slide or why he believed that this came from your staff?

SANCHEZ: No, ma'am, I do not.

CLINTON: Colonel Warren, do you have any information that would lend us some additional enlightenment about why General Alexander told us in sworn testimony that this slide came from General Sanchez's staff?

WARREN: I absolutely do, ma'am.

The reason that the general made the statement that he did is because the slide, as we now know, contained a Combined Joint Task Force-7 logo and was posted on the wall of the joint interrogation and debriefing center at Abu Ghraib.

WARREN: It was styled the Interrogation Rules of Engagement, an unfortunate use of the term "rules of engagement." What it should have said is Interrogation Policy Extract. And that's the context that's so vital that you have to understand, ma'am.

When that slide was created -- and I talked to the person who created it -- it was the commander of Alpha Company 519th military intelligence battalion...

CLINTON: And what was that person's name, Colonel?

WARREN: Captain Woods, ma'am.

It was intended to be a profilaxis (ph). There's really nothing insidious about that particular slide.

In fact, if you'll go back, ma'am, to the counter-resistance and interrogation policies, which General Sanchez has said we will make available to the committee, you will see that they lay out specific measures that are approved.

The 12 October memorandum, in fact, approves only those measures which are contained within the Army Field Manual on interrogations. That applies to prisoners of war and segregation in access of 30 days.

The intent of the slide, however, was to ensure that interrogators understood that those measures on the left hand column, the ones that were approved, the ones I mentioned, were authorized, but that any other measures were not without commanding general approval.

Now, why is it that some of those, again, that seemed to be the so-called harsh methods appear on the right, ones such as sensory deprivation, that were never in any authorized policy?

The reason is because within the drafts that we prepared in the headquarters in the September and October time frame, we, collectively -- the legal community and the military intelligence community -- took every doctrinal approach that was authorized, we took every approach that had been used by interrogators in other places, we took every approach that was contained in any document that we could find, and we put that in a policy so as to regulate it, to ensure that it complied with the Geneva Conventions, that there was command oversight, there was a specific safeguards document that was published that referenced the conventions, and required that in no time could any interrogator in any approach violate the floor of the Geneva Convention: that is the basic requirements, the food, shelter, water, medical care, clothing and protection, could never be violated.

It required an interrogation plan. It required that any exception to policy go through the senior intelligence officer and the staff judge advocate, me, before going to the commanding general.

WARREN: So the intent of that slide was to remind interrogators that anything that was not authorized had to go to the commanding general.

And by the way, given that list, prepared by a captain with all good intention, had items on it that could never be approved; that, frankly, could never reasonably be requested.

But note, ma'am, what's on the bottom. That is something that often is overlooked because that captain did not do a bad job. That captain paraphrased the safeguards that are in enclosure II of our counter-resistance and interrogation policy.

And you'll note, they talk about the requirement to treat everyone with humanity, to follow the Geneva Conventions, to never unlawfully touch a person who is under interrogation.

CLINTON: Colonel, may I just quickly follow up in one of the follow-up question. Are you aware of any requests for approval submitted in writing for any exceptions to the list on the right-hand side?

WARREN: Yes, ma'am, I am aware of approximately 25 for segregation in excess of 30 days, which went through the process of approval that I described. I'm also aware that there were three requests for stress positions which were submitted and were declined, that is denied, at the brigade commander level. So they never would have arisen to the CJTF-7 level for review or approval.

CLINTON: Is it also your understanding that non-military agents of our government and private contractors were similarly bound by the rules that you have just described?

U.S. SENATOR JUDD GREGG (R-NH) HOLDS HEARING ON PRESCRIPTION DRUG REIMPORTATION, 5/20/2004

CLINTON: Thank you, Mr. Chairman. I'm just trying to make sure I understand what our witnesses are telling us, along with my colleague and friend, Senator Mikulski. Am I hearing that if you had the resources and the authority that you think you need to conduct this kind of function, you would not have any objection to trying to do it?

HUBBARD: The administration has taken no position. But FDA has said that if we had the resources and authority, we could presumably set up a system in which you could allow safe imported drugs or at least ameliorate the safety concerns in a very substantial way.

CLINTON: Right. So you made an analogy earlier to what FDA does in inspecting food. And I think the FDA has, you know, claimed over the years, with good cause, that we do have the safest food supply in the world. Would you agree with that statement?

TAYLOR: I think we have a very safe one. I mean, I'm not sure we're the strongest, but I do think we do a very good job in light of the increasing number of imports coming over. And I think our ability to do that job was enhanced by both the provisions in the Bioterrorism Act, in conjunction with the resources that were appropriated that allowed us to bring those provisions to life, and we're currently implementing those now.

CLINTON: Yet my understanding is that we still only inspect 2 to 3 percent of the food that's imported into the country.

TAYLOR: That is correct.

CLINTON: And we also have, according to Centers for Disease Control, every year, 76 million people get sick, more than 300,000 are hospitalized, and 5,000 die from diseases caused by food. So even if you have an enhanced system that you think is doing a good job, there are still going to be problems. And you keep working to try to improve that system to try to get the, you know, problems out of it so that you can even make the food system safer. Is that right?

TAYLOR: Correct.

CLINTON: So from my perspective, you know, part of what we are trying to do here, the legislation that's been introduced, and other legislation that's coming, is to begin that process with respect to importing or reimporting drugs. Because it's also the case, isn't it, that we have a large problem of counterfeiting right here in the United States? We have counterfeit drugs made in the United States and sold in the United States, isn't that right?

TAYLOR: That is right, Senator. But the difference is that our ability to address and investigate and identify and prosecute those counterfeiters is strengthened here in the United States because we have jurisdictional ability to do so.

I'm not suggesting that counterfeit only exists overseas, but what I am saying is that when we identify a counterfeiter domestically, we have additional tools that enhance our ability to identify the counterfeiter and bring that counterfeiter to justice.

And we just simply now, when we discover that counterfeiting is occurring overseas, we often have to work with the regulatory authorities overseas or work with the Customs post or embassies overseas, and it just presents a greater challenge.

CLINTON: Well, I think that one of the areas we need to explore as we begin to open this up is how we enhance cooperation. I know that the European Union has already adopted a technology to secure pharmaceutical packages. And it costs very little per package, and it is state of the art anti-counterfeiting.

So I think there are things we can learn from other places in the world as we try to figure out how to exist in this global market. Because as my colleagues have said, we're going to have a flood of drugs and supplements and all kinds of things coming into our country because people can get on the Internet. And you're not going to look at every package that's delivered everywhere in the world.

Now, let me also ask, with respect to Mr. Hubbard's question -- you claim that drugs imported under the proposal might not be bioequivalent. And that's the calcium pill that doesn't dissolve. Isn't it true that any drug that is different than the U.S. drug must be approved by the FDA under section 506-A?

HUBBARD: Yes, Senator. I believe, if you're speaking of the bill that's before -- one of the bills before the committee, that that is anticipated, that there would be a review. I think our concern would be that there would be a huge resource cost, and any questions about our ability to deal with all of those, all that data.

CLINTON: I understand that. But of course, the FDA came into being in response to the problems at the beginning of the last century. And we created it because we had adulterated foods, we had adulterated drugs. We had to do what needed to be done in the 20th century to deal with those problems.

Well, now, we're in the 21st century. We have new problems. We are going to have to give you new resources, new authorities in order to deal with what is a problem. Whether we pass this legislation or not, it's not going to go away. You're still going to be dealing with a flood of imported and counterfeited drugs, and other kinds of supplements that are coming in.

And you know, I think what we're looking for is as positive an attitude from the FDA as we can get. You are the experts, you know. You are the ones trying to keep our food supply and

our pharmaceuticals safe. But we have to think for the future. We can't continue to keep doing business the way we've done. It's not going to work. People are going to get those drugs whether they go by their car or they get it in the mail. So we need a new system, and we need your help to develop that new system.

TAYLOR: Senator, as you know, the secretary has been asked to look at and consider many of these issues in response to the conference report that was attached to the Medicare prescription drug plan. To help him do so, he has convened a task force that has held listening sessions in public meetings. And these are some of the very issues that that group is looking at and considering.

CLINTON: But I think, Mr. Taylor, look, we might as well just sort of put it on the table. We know that the pharmaceutical industry does not want this done. And we know how much influence they have within our government, whatever administration, whoever is at the FDA. It's a constant battle. We're well aware of that.

What we're looking for is to try to at least even the playing field a little bit, as difficult as that might be, and to try to provide some of the additional authorities and resources so that the FDA can get into the 21st century. I mean, I don't think that the pharmaceutical industry can withstand the onslaught of counterfeiting that's going to occur because people are desperate. I don't think they can stand the onslaught of reimportation because people are desperate.

And finally, you know, we have no evidence of anyone being hurt by drugs obtained from Canada. And yet, we have 30 percent of our seniors who have not filled a prescription because they can't afford it. So I mean, we need to look at this in the broader context. And I would wish that the drug industry and the FDA would be partners in our trying to do our job, which is to protect people, but also provide affordable, safe pharmaceuticals to take care of the needs of the American people.

It is not fair any longer for the American taxpayer, consumer, and patient to be at the bottom of an inverted triangle, supporting the drug research and development for the entire world. That's not fair.

So we're looking for some kind of solution here. And we understand the problems. We think we can solve them.

REMARKS BY PRESIDENT GEORGE W. BUSH AT THE UNVEILING OF PORTRAITS OF FORMER PRESIDENT BILL CLINTON AND FORMER FIRST LADY HILLARY RODHAM CLINTON, 6/14/2004

SEN. HILLARY **CLINTON** (D-NY): Thank you so much, President and Mrs. Bush, for not only arranging this wonderful unveiling, and in effect a reunion for many of the people who served in this house and in the Old and New Executive Office Buildings and in the Cabinets and in so many other capacities, but for your very warm and generous words of welcome and tribute.

I also want to thank Simmie Knox for not only his wonderful work, but his extraordinarily calm and gentle manner. One thing that has never been said about either my husband or I

-- nearly everything else has been, but -- (chuckles, laughter) -- one thing that hasn't is that we are patient people. (Laughter.) Those of you who know us know that's not at all descriptive. And to sit for a portrait and to be available to the artist as he tries to get it just right is a very time-taking enterprise. And Simmie was more than understanding as he worked with us over the last several years, and I'm very grateful to him not only for his artistry, but for his humanity.

I also wish to thank Cathy Fenton, the social secretary, and her staff. I know a little bit about how difficult it is to put these events together, and I'm very grateful to her for just a wonderful occasion for all of us.

Finally, it is a somewhat daunting experience to have your portrait hung in the White House. It is something that really does, more than any other act, sort of put your place in history in this building for all the ages and all the people who come through here to see and reflect upon.

You know, as with Bill and his description of the portraits that meant so much to him, I took also great solace from many of the portraits of the former first ladies, because it is a very difficult role. And it is one that you do not seek, but you support the person you love who is seeking the presidency. So I would go and I'd look at that fabulous portrait of Mrs. Roosevelt that just shows her intent and purpose-driven life. I'd look at the lovely portrait of Mrs. Johnson, the elegant portraits of both Mrs. Kennedy and Mrs. Reagan, all of the women who have lived in and tried to make this house a home over the past centuries.

And so I'm very honored to join them as part of that history. It is an extraordinary experience. And I thank the White House Historical Association, Mr. Dudley and Neil (sp), of course, for making it possible.

Being part of history in our nation is, I think, a heavy responsibility that we carry with us and we care deeply about. But it's also a challenge, for those of us still around, to think about what more we can do for our country and for what this extraordinary house stands for.

So I thank you for helping us during those eight years, those of you who were our friends and our supporters, our colleagues. And I thank you, Mr. President, for welcoming us here and for your place in history as well. Thank you very much. (Applause.)

LAURA WELCH BUSH (first lady): President Clinton and Senator Clinton, these portraits are lovely. President Bush and I are proud to share them with the many visitors that come to the White House.

Your portraits, like you said, are in very good company. They join a collection of portraits of extraordinary men and women who have defined America and shaped our history.

And your portraits, like Simmie Knox, convey warmth and vitality. All who see them will be reminded of your dedication and all that you've done to strengthen our nation. Congratulations, and we're so thrilled to install these beautiful portraits here.

Now I want to invite everyone to lunch in the State Dining Room. (Applause.)

**U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING
ON THE NOMINATION OF THE NEW MULTINATIONAL
FORCE-IRAQ COM-MANDER, 6/24/2004**

CLINTON: Thank you, Mr. Chairman.

General Casey, over the past year, I have enjoyed getting to know you and working with you in your capacity as vice chief of staff of the Army. And I think that one of the most striking tributes to your success in that position is how sparsely attended this hearing is. Boring is good, General Casey. And I applaud you on that.

It's something I've not yet figured out how to do. But clearly, you're a master at it. And it goes to the heart of your success in your present position and I know your success in the future as well.

CASEY: I'm going to have to think about that for a minute.

WARNER: I'd note for the record that when we commenced the hearing we had half of the committee present. And a number have rotated in and out.

CLINTON: Well, Mr. Chairman, I was more thinking of the press and the public, particularly the press.

WARNER: The press? Yes. I'm proud of the committee. That's where my head count goes.

CLINTON: That's right. I agree with that. But I think the fact that the press is not here and breathing down the general's neck is a good sign for the future.

WARNER: Yet, yet.

CLINTON: Yet.

WARNER: They're not breathing down his neck yet.

CLINTON: General...

WARNER: (inaudible)

CLINTON: ... there are a number of issues that have already been addressed by members of the committee, and I want to touch on a few others to get your reaction. You know, I, along with a number of my colleagues, have expressed concern about the increasing role and presence of private contractors in performing a variety of security functions in Iraq. I'm not talking about preparing meals or, you know, being parts of convoys with supplies, but actually performing security functions that put them in the line of fire.

And, in fact, we now know that they're not only engaged in what amounts to if not military, certainly paramilitary actions. But they are developing their own networks and intelligence services within Iraq. Yet they are neither bound by the U.S. rules of engagement, nor, as I understand it, are they protected by any kind of military shield with respect to the takeover of sovereignty on June 30th.

Could you give us your thoughts about this relationship that exists now? And do you have any plans to try to clarify the relationship between the U.S. forces in Iraq and contractors and the new sovereignty Iraqi government and these private contractors?

CASEY: Again, as I mentioned, I do not know everything I need to know about this subject, Senator. And it is something that I will commit to looking into. I do know that as part of the CPA's Order Number 17 that they're looking to revise and extend that they are working the issue of whether contractors get protection or not. But it's still an open issue, to the best of my knowledge.

CLINTON: But would that protection be military protection, General? Is that what the CPA is looking to?

CASEY: I'm sorry, it's protection under the sofa-like (ph) arrangements of the Order 17.

CLINTON: So that would go to the position they would hold vis-a- vis the Iraqi government after the takeover, as I understand it if this CPA provision is accepted.

CASEY: My understanding is that basically it would say that contractors who are providing support to the multinational force mission would receive protection similar to those of the multinational force. That's what they're trying to adjudicate right now.

CLINTON: And would that, in your view, include those security forces that are working to secure the other contractors who are in Iraq, those working on resumption of electricity, on the maintenance of the oil pipelines? Or would they be in a different category?

CASEY: Senator, I don't know the specifics of that.

CLINTON: And the other issue that is related to that that I would like to follow is whether there will be additional calls on our forces with respect to protecting the contractors and not only the contractors providing security, but the contractors doing necessary revitalization and rehabilitation work in Iraq.

You know, with respect to the U.N.'s recent decision not to provide continuing exemption for American forces from the international criminal court of justice, how do you view that as affecting the status of the forces under your command within Iraq?

CASEY: With respect to the contractors that provide support to the U.S. military there now,...

CLINTON: Right.

CASEY: ... we provide support for them and security for them as part of our ongoing missions. For example, the people that run the dining facilities, that drive our trucks and things. They are provided the same security that we provide to our forces.

WARNER: Again, we're losing your voice when you do that.

CASEY: I'm sorry. I'm sorry, Senator.

CLINTON: General, the other piece of this, though, is that as I understand it, the United Nations has just refused to continue any exemption for our military forces from potential prosecution under the international court of criminal justice. This is a murky area, and I know that it's not yet resolved. Do you have any reaction to that? Or have you been given any guidance as to what, if any, changes you have to oversee when you take command in Iraq?

CASEY: Senator, I just heard that same report this morning. I don't know the details. I do know that as we talked earlier here, Jerry Bremer is focused on getting an extension of his Order 17 approved so that our forces and those supporting contractors have the protections that they need. And he expects to do that prior to the 30th of June.

CLINTON: General, is there yet identified the person who will be your counterpart in this new Iraqi government, the commander of whatever forces or security personnel that this new government will put into place?

CASEY: General Bobakur (ph) is the senior military adviser to the prime minister of Iraq. And he will be my direct interface.

CLINTON: So he, even though, he's what's called an adviser, he will have not only the responsibility for interacting with you, but will he have any line command or any operational responsibility, so far as you know?

CASEY: I am not 100 percent sure of that, Senator.

CLINTON: You know, all of these questions about how we interact with the post-June 30th government are really going to be in your lap, General. I know that it's going to be a very challenging task for you to line this up and to get the appropriate understandings. But one thing I was struck by is that news reports indicate CENTCOM is asking for five more brigades. Is that an accurate report?

CASEY: It's not, Senator. We talked about that a little bit earlier before you came in. CENTCOM is doing some contingency planning for increased levels of violence. It is not, as the report suggested, an informal request for forces. It's just planners doing planning.

CLINTON: OK. And finally, General, are there any projections that you're aware of that have looked to the numbers of troops we will need over the next, you know, one to five years?

CASEY: Senator, the central command and Army planners continually assess and reassess that.

CLINTON: And what is the range of troops? Do you have knowledge of that?

CASEY: Right now, we're looking at sustaining, planning -- and this is the difference in Army planners looking -- because we have to designate units two and three years in advance. We want to give them that notification so they have the stability. But we're planning on sustaining the current force levels through at least another rotation, so OIF four.

CLINTON: And do you know what percentage of Guard and Reserve members that will be consisting of?

CASEY: My sense is it will stay somewhere between 30 and 50 percent, Senator.

CLINTON: Thank you, General.

[GAP - FROM LATER IN HEARING]

CLINTON: General, just two quick things. One, to follow-up on Senator Dayton, we get reports that a lot of our troops are performing functions that they weren't trained for. And that seems particularly true with respect to some of these civil projects.

We've had reports that, you know, people who were, you know, trained for infantry are trying to help with controlling sewage. And, you know, there isn't a significant amount of troops for the engineering the kind of fundamental building block work that is required.

I don't know whether that's the case or not. And, you know, I'd like to get some sense of that because clearly, it may be that you have enough troops, but it may also be, as we're told consistently, that the mix of troops may not quite be right for the changeover and the new kinds of responsibilities you face.

Finally, on a matter that is, you know, not perhaps at the top of the pressing issues that you confront, there was a very poignant report this morning on -- I think it was National Public Radio -- by the man who had been Jerry Bremer's consultant for cultural affairs. And he spoke in detail about how we had established base camps in places like Babylon on the archaeological site. And that we, through the efforts to protect these sites and then to establish a permanent presence, had perhaps taken some actions that were contrary to preserving not just the archaeological heritage of the Iraqis, but the biblical heritage of the entire Judeo-Christian world.

Would you look into that, General? Because I was deeply disturbed in the aftermath of the initial efforts that we had the looting of the national museums and the like. And we found out the damage might not have been as great as had originally reported. So I'd like to know where we stand with respect to some of these very valuable ancient sites that mean so much to people around the world.

CASEY: I will do that, Senator. By chance, I did happen to visit that Polish base camp. And I can tell you that he inherited that from the Marines who went in first. But he is doing everything in his power to mitigate the effects of his presence there on the cultural sites.

CLINTON: Thank you.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON IRAQ SOVEREIGNTY, 6/25/2004

CLINTON: Thank you, Mr. Chairman. And I apologize for not being able to get here earlier. I thank each of our witnesses for once again appearing before this committee.

Secretary Wolfowitz, you know that on several occasions both I and others have raised predictions and comments you made before the action commenced in Iraq. Just as an example, on February 19th, 2003, on National Public Radio, you said, "We're not talking about the occupation of Iraq. We're talking about the liberation of Iraq. Therefore, when that regime is removed, we will find the Iraqi population basically welcoming us as liberators"

In your speech before the VFW in March of 2003 you said the Iraqi people understand what this crisis is about. "Like the people of France in the 1940s, they view us as their hoped-for liberator. They know America will not come as a conqueror."

It's not only comments from you, but others in the administration, such as Vice President Cheney on "Meet the Press," March 16th, 2003. "The read we get on the people of Iraq is there is no question but that they want to get rid of Saddam Hussein, and will welcome us as liberators when we come to do that."

Were those statements by you and others in the administration based on intelligence, CIA intelligence, or other intelligence agency analysis?

WOLFOWITZ: Senator Clinton, the Iraqi people in overwhelming numbers did welcome us as liberators. If you go back and read the headlines from any American newspaper on April 9th, April 10th of people cheering us in the streets of Baghdad and all over the country. They were dying for liberation.

But two things happened. Saddam and his people didn't quit on April 9th. They continue to fight. And we acquired this very burdensome label of being an occupying power. They wanted to be liberated, not occupied.

And I think that's why what's going to happen on July 1st is so important, that they will be a free country. They will have their own government. We will not be the occupiers, we will be supporting that government.

And the reason -- I think you weren't -- well, you weren't here when we talked about it -- I was struck during the course of four days in Iraq at how many Iraqis we encountered who were ready to risk their lives for this new Iraq.

We met a young Marine private first class in Fallujah whose life had been saved by five Iraqi Civil Defense Corps members who had put their own lives at risk to rescue him.

We met with the prime minister, Prime Minister Allawi, who was almost chopped to death with an ax by one of Saddam's murderers in 1979, and who is still the number one target of Mr. Zarqawi, and whose life is in danger every day.

The president of Iraq, Ghazi al-Yawer, whose predecessor was assassinated in a car bomb just a couple of months ago.

And this one particularly moving example, which I'll repeat because you weren't here, a young Iraqi interpreter working with our military up in Mosul whose sister was murdered a few weeks ago because she was working with us. And when the general who was with me,

who knew her from before, asked her why she continued to put her life in danger this way, she said, "Because my father told me, we mustn't retreat in the face of evil."

We are confronting an evil enemy. The Iraqi people are confronting an evil enemy. Those people in overwhelming numbers still want to be liberated from that enemy.

I think it was a mayor of a town near Fallujah that said to General Mattis, "In my heart I want you to leave right now, but in my head I know we need you for a while longer."

I mean, that's the dilemma of this situation, that it's both our vulnerability and our great strength that we are facing an enemy that is tenacious, that kills very effectively, that has no scruples about killing innocents.

WOLFOWITZ: But that is also our strength, because the overwhelming majority of Iraqis don't want that.

CLINTON: Well, Mr. Secretary, based on that description, in retrospect, could we have avoided certain of the unfavorable consequences that you have just described if we had had more force in the beginning?

WOLFOWITZ: Senator Clinton, I think the notion that we'd be better off with 300,000 troops is wrong. I think, more importantly, our commanders, both General Franks and General Abizaid, emphatically think it's wrong.

You know, there were a lot of people, and I happen to have been one of them, who was pushing General Franks, I think it was in the November time frame of 2001, saying, "Don't you need more troops in Afghanistan?" And he was pushing back and saying, "I don't want to make the same mistake the Soviet Union made." And I think he was right.

I think the reason we've been as successful as we have in Afghanistan is we've kept our military presence...

CLINTON: But I'm not asking you about Afghanistan, Mr. Secretary.

WOLFOWITZ: I'm about to say the same things applies in Iraq. And General Abizaid will consistently tell people both publicly and privately he does not want to increase the weight of the American footprint on the Iraqi people.

It would have been much better if we could have been in there from the beginning in support of an Iraqi government rather than as an occupying power. But 300,000 troops, which no commander has ever remotely come close to asking for, would, in fact, have created more problems than it would have solved.

There's no reason to think that we would have had any better luck catching these people where they hide if there was a heavy American presence -- I mean a heavier American presence. It was pretty heavy.

And what we need is better intelligence. I think one of the keys to better intelligence is more Iraqis on the frontlines fighting with us, and that is what we're moving toward.

CLINTON: At some point, Mr. Secretary, will there be any kind of after-action review by the civilian leadership in the Pentagon with respect to this mission.

You know, certainly those of us who heard General Shinseki, who at the time was the Army chief of staff, testify based on his best knowledge and experience the numbers that were needed, have to conclude there was, at least, a debate within the professional military.

CLINTON: Now, how that debate was determined, obviously we have a regime of civilian leadership, is obviously clear. But I think to dismiss out of hand testimony we heard with our own ears and testimony that was very compelling and led to the public embarrassment of a distinguished soldier is a little bit difficult for us to accept.

WOLFOWITZ: I'm sorry. I don't think to disagree with someone should be publicly embarrassing. General Shinseki was, in fact, disagreeing with all of his colleagues on the Joint Chiefs of Staff and the combatant commander, General Franks.

Isn't that right, General Myers?

MYERS: Actually, we didn't -- as we discussed about troop strength with then the commander, General Franks, which we did many times during the planning, during conflict and then for post-conflict, and then later on with General Abizaid, the issue of more troops never came before -- never was brought up in our deliberations. Nobody said, "You need more."

It was General Franks that proposed what he thought was right. We'd have discussions and talk about it. And then we'd provide our military advice to the secretary and the deputy secretary. But there was never a push inside the Joint Chiefs of Staff for more forces.

CLINTON: Thank you, Mr. Chairman.

"Good Morning America," ABC, 7/26/2004

CHARLES GIBSON, ABC NEWS

(Off Camera) All right, thanks very much, Tony. We're gonna turn now to the woman who is helping kick off the Democratic convention tonight by introducing her husband, Bill Clinton. Hillary Clinton first came to national attention as a political wife, but she is now one of the undisputed stars of the Democratic party. So here's a look at Hillary Clinton at center stage, especially at conventions over the years.

SENATOR **HILLARY RODHAM CLINTON,**

DEMOCRAT, NY, CONVENTION SPEAKER

You know, I suppose I could have stayed home and baked cookies and had tea, but what I decided to do was to fulfill my profession which I entered before my husband was in public life. We're not taking anybody or anything for granted.

film clips of hillary clinton

SENATOR **HILLARY RODHAM CLINTON**

I am overwhelmed. In October, Bill and I will celebrate our 21st wedding anniversary. Thank you for supporting my husband. What an eight years it has been.

CHARLES GIBSON

(Off Camera) And joining us from the convention hall this morning is Senator Hillary Clinton. Back at the Democratic convention. Senator, good to have you with us.

SENATOR **HILLARY RODHAM CLINTON**

Thank you, Charlie. I'm glad to be back.

CHARLES GIBSON

Let me ask about your role at this convention. Because a lot has been made, as you know, in the political pages about the fact that you were not on the original speaking schedule for the convention. Was that an oversight, or do you think it was a deliberate move by the Kerry people?

SENATOR **HILLARY RODHAM CLINTON**

Oh, you know, I have no reason to think either. I think that a convention is an evolving kind of event. And I'm just delighted to be part of supporting John Kerry and John Edwards. That's what I'm going to try to do tonight to give people maybe some insight into why I feel so strongly that this is the team for America's future. And then I'm going to enjoy myself with all of my friends and the delegates here.

CHARLES GIBSON

(Off Camera) There's something I've wanted to ask you about ever since I had a chance to talk to your husband when the book came out. You have been very circumspect about your own presidential ambitions, and I asked President Clinton about it in our interview. And I just want to play the clip.

PRESIDENT WILLIAM JEFFERSON **CLINTON,**

UNITED STATES

She's now where I was in 1988. When I didn't run in 1988, and I thought I'd never get another chance to run, because I really thought the Democrats were going to win. And, and I do again.

CHARLES GIBSON

(Off Camera) Now, that was his comparison. And I thought it was really interesting. We know he thought about running in 1998. Decided against it. And acknowledges there if Dukakis had won, he'd have been shut out for some period of time. He made the comparison, do you, this time, if John Kerry wins are you shut out for some period of time?

SENATOR **HILLARY RODHAM CLINTON**

You know, I don't know, and I really don't care. That's what I'm trying to convey to everyone I speak with. My commitment is to elect John Kerry and John Edwards, and I do it for two reasons. I think that John Kerry is exactly the kind of man we need to be president right now in our country's history, and I cannot imagine four more years of this administration. I just think that, you know, the Bush- Cheney team has put us on a disastrous course. So I, I care deeply about the outcome of this election, and, you know, the future takes care of itself, Charlie. None of us knows what the future holds for any of us. But right now, my goal is to do everything I possibly can to elect John Kerry.

CHARLES GIBSON

(Off Camera) Handicap this election for me. You know presidential politics very well. In some sense, is this an election between George Bush and not George Bush? To what extent is this to John Kerry's to win, or do you think it's really a referendum on the president?

SENATOR **HILLARY RODHAM CLINTON**

You know, Charlie, every time you have an incumbent president running, as we did in '92, a president named Bush, as we do now in 2004, a president named Bush, the election has to be about the incumbent, first and foremost, because Americans have to decide whether they want to give their president a new contract of employment for four years. I think that this race up until now has been Bush versus Bush, and Bush is losing. And then people begin to look at the alternative. John Kerry. And I think this convention is going to increase the support for John Kerry. I think people are going to like what they see and hear. You know, I was joking earlier this morning with an old friend of mine who's been to a lot of conventions that, you know, it really takes a long time to get to know a candidate. For the American people to feel that they understand who someone is. You know, this is a big country, and I think Senator Kerry has done a very good job in just running his own campaign, ever since he got into the primaries last year. And that's what he's doing in this election. And as people know more about him, they see his steadiness, his seriousness, his

thoughtfulness, they know something about his past military and public service, his sense of duty to our country, the policies he's putting forth, I just believe that this is going to be a Democratic victory, and so there will be another one-term Bush president.

CHARLES GIBSON

(Off Camera) Senator Clinton, always good to have you with us. Good luck tonight. Look forward to seeing you perhaps up in Boston.

SENATOR **HILLARY RODHAM CLINTON**

Thank you, Charlie.

CHARLES GIBSON

(Off Camera) All right, you take care. When we come back, you're about to get a lot more free time in your life. How?

CHARLES GIBSON

(Voice Over) Well, you can stay tuned for our time-saving tips. "Good Morning America" continues, stay with us.

commercial break

"Special Report," ABC, 7/26/2004

Live from Boston, the Democratic National Convention

Star of the Democratic party, this remarkable woman has inspired us all as First Lady of Arkansas, and First Lady of America, as a legal champion of America's children, as a wife, as a mother, and now as a Senator from New York. She is a clear voice for a strong military on the Armed Services Committee, for the men and women who serve and for fair treatment of our veterans. I am honored to present the junior Senator from New York state, and a great Democrat, **Hillary Rodham Clinton**.

PETER JENNINGS

(Off Camera) Senator Kennedy did say to us a little earlier today that even she got nervous on such occasion, the mouth got a little dry. She's introduced her husband hundreds of times. And she says, well, this one is a little different but not significantly different. There is no doubt that in the Democratic party, particularly among the activist Democrats here, Senator Clinton is a rock star.

SENATOR HILLARY **CLINTON**, DEMOCRAT, NEW YORK

I am practically speechless. However, 12 years ago, when our country needed new leadership, Americans selected a Democrat who gave us eight years of peace, prosperity and promise. Tonight -tonight I have the pleasure of introducing the last great Democratic President. But first, I want to say a few words about the next great Democratic President, John Kerry. You know, I, like all of you, just heard the moving testimonials about the horrors of September the 11th, and the extraordinary witnessing by Reverend Alton, concerning his Lieutenant, John Kerry. I don't know how any American could hear the Reverend Alton and not know John Kerry is the man we need to be our President and Commander-in-Chief.

SENATOR HILLARY **CLINTON**

And yet, we meet at a moment of great peril, but also of great promise for the country we love. Together we can, once again, widen the circle of opportunity for all Americans. We can once again transcend our differences and divisions. We can once again give our children a safer and more secure future. That is the promise of America. And John Kerry will

renew and keep that promise to this generation and generations to come. He knows very well that you have to lead the world, not alienate it. He will -he will lower the deficit, not raise it. He will create good jobs, not lose them. And he will solve a health care crisis for our people, not ignore it. Now, I know a thing or two about health care. And I know that the problems have only gotten worse in the last four years. We need to rededicate ourselves to the task of providing health care coverage for the 44 million Americans who don't have it. And we have to do more to lower the cost for all the rest of Americans who are facing increasing health care insurance premiums and drug prices.

SENATOR HILLARY **CLINTON**

We also -we also need to lift the ban on stem cell research and find cures that will help millions of Americans. You know, health care is a serious issue. And it requires serious solutions. And that's what John Kerry is good at and that's what he will give us. He will also give us something else, a great Vice President by the name of John Edwards. Now, we know that John Edwards is smart, he's energetic, and he's empathetic, and he understands the challenges that hard working Americans face in their daily lives. Americans will be proud to have the Kerry-Edwards team in the White House. And they will be proud as we all will be to have their extraordinary partners, Teresa Heinz-Kerry and Elizabeth Edwards working for our country as well. Now, you know, we've been through our share of challenges as Americans. You know, from a Civil War to a Great Depression to world wars and so much more. But being a Senator from New York, I saw firsthand, as all of my friends and colleagues did the devastation of September the 11th. I visited ground zero the day after we were attacked. And I felt like I was standing at the gates of Hell.

SENATOR HILLARY **CLINTON**

I hope no American ever has to witness a horrible sight like that ever again. And yet that tragedy both changed and challenged us. I know it did for me. And everyday now as a mother, as a Senator, as an American, I worry about whether we are acting as wisely as we can to protect our country and our people. Last week, the bipartisan 9/11 Commission issued its report. And that commission would never have been in existence had it not been for the brave family members who insisted that this government have a commission to look into 9/11.

SENATOR HILLARY **CLINTON**

And those commissioners issued a sober call to action that we ignore at our peril. John Kerry understands what's at stake when it comes to our security. We need to fully equip and train our firefighters, our police officers, and our emergency medical technicians. They are our first responders in the event of a terrorist attack. And we need to secure our borders, our rail lines and our ports, as well as our chemical and our nuclear plants. We need to reorganize our Federal government to meet the new threats of these times. And we need to make sure that homeland security is a priority, and that it is funded properly and that the resources go to the areas of greatest risk, like New York City.

SENATOR HILLARY **CLINTON**

And along with that, we need to take care of our men and women in uniform who, like John Kerry, risked their lives and, for too many, lost their lives in service to our country. These brave Americans deserve better. We need -we need to increase our troop strength. We need to raise their pay. We need to provide our veterans, our National Guard and reserve with the benefits they are entitled to for the service and duty they perform for our nation. And do you know - do you know what we need to meet these challenges? We need a new Commander-in-Chief named John Kerry.

SENATOR HILLARY **CLINTON**

I've been saying for many months now, John Kerry is a serious man for a serious job and a serious time in our country's history. So let's join together, not just those of us in this great

hall tonight, but throughout our nation, and do everything we possibly can to convince our fellow Americans to look to the future, to look deep inside themselves. They know what is best for our children. And if we just have the courage to act on our conviction, we will, by an overwhelming majority, send John Kerry and John Edwards to do their duty for us in the White House, starting next year. I am very optimistic about this election because I think I know a great leader when I see one. And so does America. In 1992 and 1996, Americans chose a President who left our country in better shape than when he took office. And he still spends his days working to empower the powerless, to promote racial, religious and ethnic reconciliation, to inspire young people to citizen service, and to bring life saving medicines to people living with HIV/AIDS throughout the world. He showed Democrats how to win again, and so will John Kerry. Please welcome the 42nd President of the United States, Bill Clinton.

PETER JENNINGS

"CBS Evening News," CBS, 7/26/2004

One of the most intriguing speakers here tonight is **Hillary Rodham Clinton**. There is a lot of interest in the former first lady, now senator from New York, about her role here at the convention and in the future of the party. I spoke with her today about that and what some people call a rivalry with Senator Edwards and got the Inside Story.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): I know that right now the American public, in my view at least, has decided that they want an alternative to President Bush, and this is the opportunity for those of us who know and admire John to hopefully convince a lot more of our fellow citizens to support John Kerry.

RATHER: And what about those who don't wish him well? They say, 'Listen, he's Senator Flip-flop, always has been, and would be as president.'

Sen. **CLINTON**: Oh, I think that's, you know, Republican propaganda. You know, what I think is the case about John Kerry is that he has a very steady core. He's a man of a lot of personal strength, and he understands what it takes to lead. And because he thinks through issues and he asks questions, apparently in some quarters of American politics today, that's considered inappropriate, whereas for me, it's very reassuring.

RATHER: Tonight, it's Senator Hillary Clinton's job to rally the crowd for John Kerry.

Sen. **CLINTON**: It takes a long time in this big country for people to get a sense of who you are.

RATHER: But for months, she was the center of serious speculation.

Your husband, President Clinton, has said in interviews that you considered running for president this time.

Sen. **CLINTON**: Well, that's not accurate. You know, I think that a lot of people considered it for me. It was just not anything I wanted to do or thought was right to do for me, and I'm, you know, very much at peace with that.

RATHER: Well, you and your husband helped get John Edwards elected senator from North Carolina. But now he is--correct me if I'm wrong, but he's a competitor of yours for future stardom in the Democratic Party.

Sen. **CLINTON**: Oh, I don't see it that way. You know, I don't see politics as a zero-sum game where, you know, if someone's up, you're down, or vice versa. I just don't see it like that. To me, we're all part of a team.

RATHER: And to those who say, 'Listen, down deep, the Clintons plural did not want John Edwards to be on the ticket because it might harm Senator Clinton's chances in the future,' you say what?

Sen. **CLINTON**: I say that's, you know, just not true. I say that, you know, from my perspective, both my husband and I have done everything we can to help this ticket, and we're going to continue to do it. I want to be there on January 20th when John Kerry and John Edwards are sworn in on behalf of our nation. You know, I cannot imagine four more years of the Bush-Cheney administration. I think it has been a real setback for our nation and for the world, and I don't think there's any about-face that the president can perform that will change that. We need a new leader.

RATHER: I also asked Senator Clinton about what it might be like for her to be a presidential nominee. She said, quote, "Personally, I don't think about it," but she would like to see a woman president in her lifetime.

"The Early Show," CBS, 7/26/2004

After much ado about the actual role that she would play during the Democratic National Convention, Senator Hillary Clinton will be introducing her husband tonight, former President Bill Clinton, to the party faithful here in Boston.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning.

STORM: You will have a great opportunity to set the tone for this convention. What are your goals tonight?

Sen. **CLINTON**: I want to do two things: I want to really express how strongly I feel about John Kerry, why I trust him to be our president and our commander-in-chief. And, of course, introduce my husband. It's an interesting position to be in, to introduce the last Democratic president and the future Democratic president. But I think that this convention is going to really provide Americans with some insight and understanding about John Kerry and John Edwards, which will tip the balance. I mean, we're going to win, and I just want them to win with as big a margin as possible. So they will have a lot of opportunity to get our country back on the right track.

STORM: There was a big flap about your participation. You weren't initially invited to speak here at the convention. There continues to be all this speculation about your own presidential ambitions and how they might play. How do you set all of that aside and portray the fact that you are solidly behind getting this team into the White House?

Sen. **CLINTON**: You know, it's very easy for me, because everyone who knows me knows that I am appalled at the Bush/Cheney administration and the direction they've taken our country, and I just cannot even imagine four more years of their leadership, which I think would put us in a big hole domestically and around the world. So, it's very easy, because I am 100 percent behind John Kerry. I have worked with him in the Senate. I knew him

before the Senate. I just want Americans who haven't made up their minds to know him as I know him, to know that he's a serious, thoughtful, effective leader who is going to be a great president for our country.

STORM: And if you never got the opportunity to run for president, would you be at peace with that?

Sen. **CLINTON**: Of course. I'm having a great time being the senator from New York. You know, I know a lot of people speculate about my life, but I just try to get up every day and lead it. You know, that's hard enough.

STORM: Well, sometimes that can be difficult, particularly if you're the wife of a candidate or the wife of a president. And I want to talk a little bit about Teresa Heinz Kerry and what happened as she was with the Pennsylvania delegates last night and she told a reporter to, quote, "shove off." This is a very fine line that a strong woman walks as her husband is campaigning for the highest office in the land. What sort of challenges does she face, from your perspective, and what advice would you give her?

Sen. **CLINTON**: Well, she doesn't need my advice. She's doing a great job and, you know, everybody gets frustrated with the press, with all due respect.

STORM: Would something like this hurt, though? Yeah.

Sen. **CLINTON**: Oh, I don't think so. I think that as people have gotten to know her, they see a strong, outspoken, caring, very loving person who really is supporting John, but also, you know, wants to do what she can to change the direction of the country and I think people understand that.

STORM: I want to ask you about the 9-11 Commission, and you said last week that the president had dithered--I believe that was your term--in providing the funds needed for the city of New York as the commission recommended that those areas at the highest risk should be receiving the most funds. How much more money are you looking for for New York City?

Sen. **CLINTON**: Well, I have to say that the commission validated what I and others have been saying, which is we have no national strategy and we certainly haven't done enough to get money to the high-risk areas like New York City. If you look at any intelligence report, New York City's at the top of the list of being a potential target. And the--you know, the city with the police and the firefighters have done a fabulous job but they've been shortchanged.

STORM: What can the president accomplish by executive order? What are you looking for him to do, specifically?

Sen. **CLINTON**: Well, I'm looking for him to show some leadership and to change the formula by which money is distributed. Obviously it's a congressional decision, but you know, the president's party controls both houses of Congress. If he were to choose, he could say, 'This is what I want done for America.' He's going to New York City for his convention. You know, I'd like to see a strong statement that we're going to change this formula and I expect the leaders of the Senate and the House to, you know, really do what I think is best for the country, to have a national strategy with more money and have it allocated differently.

STORM: What about Congress? What should their top priority be here in terms of enacting some of these changes?

Sen. **CLINTON**: Well, that's what their priority should be...

STORM: Right.

Sen. **CLINTON**: ...and I'm pleased the Senate will start holding hearings this coming month, but there's more to be done. It's not only what the executive branch needs to do with the new way to organize intelligence, but what the Congress needs to do to provide better

oversight. That may be the harder part for Congress, because, you know, people who have been there a long time, have a lot of power are going to have to be willing to cede some of it so that we have a better system that can keep us safe.

STORM: Senator Clinton, thanks so much for joining us and good luck tonight as you speak in front of this convention.

Sen. **CLINTON**: Thank you.

STORM: This is THE EARLY SHOW on CBS.

"American Morning," CNN, 7/26/2004

Let's go from that now back in Boston with a view from the convention stage, a familiar one to Hillary Clinton. The New York Senator, former first lady addresses the party faithful later tonight in prime time, just ahead of the former president, her husband.

Senator Clinton, good morning to you and thanks for your time.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you.

HEMMER: I don't know if you have much of a comment based on what Teresa

HEINZ KERRY: said last night. If you do, I'll give you the platform here.

CLINTON: Well, I know Teresa. And I think she is expressing herself honestly and openly. And, you know, I've been around politics long enough to know that there are lots of people who say things that are not true. So from my perspective, you know, she's just a terrific person.

HEMMER: At what point, if you go back to '91-'92 did you realize that everything you say would be looked at closer than you ever had before?

CLINTON: Well that happens during the campaign. But, you know, you want to be yourself and you also don't want people to say things that aren't true about you and your family. It's a tough line to walk, but she's doing a terrific job and she's going to be a fabulous first lady.

HEMMER: A tough line to walk -- how easy or difficult is it to step over that line, at times, and have your remarks being taken and turning off people, essentially?

CLINTON: Well, you know, I don't think that will. I think a lot of American are going to say, good for you. You go, girl. And that certainly is how I feel about it.

I think that what we're living in, in our political, you know, history at this moment is extremely polarized. There is a lot of, you know, strong emotions and that's perfectly appropriate. But then there are people who are, frankly, out to score political points or to put words in people's mouths and that's not appropriate. And they have to be called on it.

HEMMER: There was a suggestion last week that your husband might overshadow John Kerry, and that is perhaps why he's going on the first night. Do you think that's a possibility?

CLINTON: No, no. I think that's the way conventions are planned. I mean, obviously the big event is John Kerry's speech Thursday night, and everything leads up to it.

So I know that Bill is happy to be, you know, kicking off the convention. I'm delighted to be introducing him. We want to do everything we possibly can do to help the American people who have yet to make up their minds -- and there aren't too many left -- that this is a man who could be a great president and really a perfect choice for our country at this point in our history.

HEMMER: You are endorsing a man who, if he wins on November 2nd, may have significant impact on your own possibilities for the White House, maybe even, some suggest, pushing it back to 2012.

You laugh, that's fine. That's fair. When you think about that possibility?

CLINTON: I don't think about that possibility, but I know that a lot of people in your position do, and that's fine.

But I am so excited about replacing this administration. You know, I think that the Bush-Cheney presidency has been bad for America and bad for the world. I can not wait to see them leave the White House -- the sooner the better. I wish we could move the inauguration up a few months.

I am so hopeful that we will get back on the right track. And the only way we can do that is by having new leadership.

HEMMER: Thanks you, Senator.

CLINTON: Thanks, Bill. Good to see you.

"Inside Politics," CNN, 7/26/2004

Well, as a former first lady, Hillary Clinton knows all about the pressures of being in the spotlight. The senator from New York is one of tonight's convention speakers introducing her husband. Earlier today, she talked with me about a number of important concerns facing the Democratic Party as it tries to unseat George W. Bush. I started by asking if the party's claim of unprecedented unity is real.

(BEGIN VIDEOTAPE)

CLINTON: It's real. It's deep and it's real. Obviously, there will be differences over issues. This is a very big tent of a party.

But the overriding objective to elect John Kerry and John Edwards and defeat George Bush has united Democrats from all ends of the political spectrum. I've never seen it or felt it as strongly as I do this year.

WOODRUFF: At the same time, you've got the Republicans practically camped outside the FleetCenter saying that what's going on here is an extreme makeover, that John Kerry has the most liberal voting record in the Senate, that he's...

CLINTON: That's so funny.

WOODRUFF: ... voted against defense votes one after another, even though this convention is talking about "A strong America." Are the Democrats going to be able to get away with it?

CLINTON: Well, the real question is will the Republicans get away with once again insulting the intelligence of the American voter. Talk about makeover, you know, they've hidden all

their most extreme members of Congress and other people in their party. They've got a convention lineup in New York that is filled with people who disagree fundamentally with the president on every important issue.

And I think it's a sign of desperation. You know, John Kerry's record is a record of accomplishment and thoughtful consideration of difficult issues. He has more experience in foreign affairs, he knows more about military and defense policy than certainly this president did, when he came in, and in my view, probably to this day. Because, you know, what Senator Kerry has done is to study issues carefully and consider all the different angles.

And, you know, I think that's appropriate. That's what I want in a president. I don't want someone who is so convinced he is right and tries to create an evidence-free zone so that there is no evidence or facts that can in any way shake his opinion.

WOODRUFF: But the Republicans have been successful, haven't they, in portraying him as flip-flopper, somebody who changes positions on issues?

CLINTON: I don't think so. I mean, they spent, oh, a huge amount of money, \$50 \$60, \$70 million trying to sell that old dog, but it doesn't hunt and it's not going to be very effective in this campaign.

WOODRUFF: Senator, the 1992 convention, which you remember so well, was really important in turning around fortunes for your husband. What does John Kerry need to do at this -- the 2000 convention not so successful for Al Gore. What does John Kerry need to do at this convention to help himself?

CLINTON: Well, I think -- I think John has a different challenge than Bill did. You know, Bill was running behind going into his convention. He really had to persuade the American people to take a look at him and, at the same time, decide not to reelect George Bush the first.

I think most Americans are already reaching the conclusion that they're not enthusiastic about a second Bush term. And what John has to do is what he has done, which is to present his very solid, steady presence with the policies that he has fought for and developed in this campaign to the American people.

You know, he's been so successful. You know, I remember talking to him last fall, Judy, when everybody had written him off and, you know, people were saying he should just pull out. And he called me about a couple of matters. And I said, "Well, what do you really think, John?" And he said, "I'm going to win."

And, you know, I think I have a pretty good ear for when people are just kind of being full of bravado. He was solid, he was steady.

I said last night that some polls ask voters, "Who would you rather have a beer with?" I don't think that's the question in the 21st century.

Who would you rather be in a foxhole with? Who would you put the lives of your children and your family into the hands of? Those are the questions that I think voters are asking, and when they ask those questions, I think John Kerry is the answer.

WOODRUFF: One other contrast for the 2002 convention, is John Kerry and his campaign treating your husband and his administration differently from the way Al Gore treated your husband and his administration?

CLINTON: Oh, you know, I don't know. I think that may be overblown. I think in both instances, you have to run the campaign that you think will win.

And I'm very excited about it this year because we're going to do, both Bill and I, everything we possibly can to elect the Kerry- Edwards ticket. And it's really thrilling to see the

Democratic Party united, to see the response from people around the country to what the Kerry-Edwards team is putting out there. And I'm very confident about victory in November.

(END VIDEOTAPE)

WOODRUFF: More of my interview with Senator Clinton ahead. Find out what she has to say about Teresa Heinz Kerry' choice words.

Also ahead, three decades after his own presidential nomination, I'll talk with Jimmy Carter about his role in this convention and his party's quest to reclaim the White House.

Plus, we are wired and ready to bring you the inside story of this convention and how Republicans are trying to crash the party.

With 99 days until the election, this is INSIDE POLITICS, the place for campaign news.

(COMMERCIAL BREAK)

WOODRUFF: (AUDIO GAP)

(BEGIN VIDEOTAPE)

CLINTON: I think she's doing fine. I think she's got a tremendous, you know, wonderful, energetic attitude that people are really responding to. And she's very open and she's independent, and she says what she thinks. And who hasn't been frustrated by, you know, reporters? I think that goes with the territory.

WOODRUFF: All right. Back to this convention, Judith Hope, who was -- was formerly chair of the New York Democratic Party, said it was a slap in the face that you were not originally given a prominent role speaking at this convention. What -- what happened here?

CLINTON: Oh, I don't know. I mean, I think that whatever happened has been totally worked out. And I have a great deal of understanding for how difficult it is to put together a convention program.

It is hard. And I'm just delighted to be here. I'm looking forward to introducing the last Democratic president and strongly endorsing the next Democratic president.

WOODRUFF: So nothing more to say about that?

CLINTON: No. I'm just excited about the convention and about this ticket.

WOODRUFF: Senator, you know very well what the conjecture is. It's not just among the press and the pundits. It's a lot of Democrats are saying it's you and John Edwards spoiling for whatever in 2008, if this ticket doesn't make it this year, or 2012, if it does.

CLINTON: You know, Judy, I just don't see politics as a zero-sum game like that. And I guess it makes for interesting speculation. But I don't think that's any way to live a life.

I think you have to do what you believe is right every single day. And that's what I'm trying to do as the senator from New York.

I also think that it's great being part of a winning team. You know, I loved being part of the winning team in '92 and '96. I'm looking forward to being part of the winning team in 2004.

I think John Edwards brings so much to this ticket. He's going to be a terrific energizing force, not only on the campaign trail, but as vice president.

What I care about is team America. Yes, I'm a Democrat, and I'm proud to be Democrat. But I believe that we are at a moment in our history where we've got to be unified, we have to be up to the challenges we face. And one of my great sadnesses about this president is that after 9/11, when he had a chance to unify the country, he chose a different direction.

He decided to adopt the old divide and conquer strategy, and I think that's been a losing strategy for him. But it's also been very unfortunate for America.

WOODRUFF: Well, speaking of 9/11, there's a report today that the president is now saying he is going to implement by executive order some of the recommendations of the 9/11 Commission. Is this going to undercut any effort by Senator Kerry to make an issue of that report?

CLINTON: Well, I don't think so. He's had two-and-a-half years since 9/11 to do more than he's done. And unfortunately, I and others have been urging a different strategy for all that time.

I have taken to the Senate floor many, many times to argue that we didn't have a national strategy when it came to protecting our borders or our ports or our critical infrastructure. And we didn't have a good strategy for getting money where it was most needed; namely, to our police officers and our firefighters, our cities, our front-line defenders.

I have been saying that, a lot of people have been saying that. You know, maybe it's fine now that the president is going to try to implement some of the 9/11 Commission report recommendations, which I think is absolutely critical, but we need to make sure that we have a president in office come January who will actually follow through.

We get a lot of rhetoric from this administration on homeland security and other issues. And then when the cameras are off, basically they just let it die. Because look what they've done. They've driven our country into this huge deficit hole that can't afford to do what we need to do on homeland security.

The most sacred thing to them far above security is protecting their tax cuts for the wealthiest one percent of Americans. So it just doesn't add up. We need new leadership and a new direction.

WOODRUFF: Last question, back to the convention. You're going to be speaking here tonight, introducing your husband. We are told that the Kerry campaign has been asking speakers to delete any criticism of President Bush. Have they asked you to -- you and your husband to do that?

CLINTON: No. But, you know, we're not usually hyper-critical. You know, we like to draw contrasts. And we think the contrasts speak for themselves.

So I think you'll hear a lot of contrast-drawing tonight from my husband and me. But I think that the case for John Kerry positively is so strong, that this is the week to present it.

Most people know what they don't like or they're worried about when it comes to the Bush administration. What we want to do is to get them to feel very comfortable in the choice of John Kerry for our next president.

(END VIDEOTAPE)

WOODRUFF: Senator **Hillary Rodham Clinton.**

REMARKS BY SENATOR HILLARY CLINTON (D-NY) AND PRESIDENT BILL CLINTON AT THE DEMOCRATIC NATIONAL CONVENTION, 7/26/2004

LOCATION: THE FLEETCENTER, BOSTON, MASSACHUSETTS

SEN. **CLINTON:** I am practically speechless. (Cheers, applause.) However -- (cheers, applause).

Twelve years ago -- (chants of "Hillary, Hillary!") -- when our country needed new leadership, Americans selected a Democrat who gave us eight years of peace, prosperity and promise. (Cheers, applause.) Tonight -- tonight I have the pleasure of introducing the last great Democratic president -- (cheers, applause) -- but first I want to say a few words about the next great Democratic president, John Kerry. (Cheers, applause.)

You know, I, like all of you, just heard the moving testimonials about the horrors of September the 11th and the extraordinary witnessing by Reverend Alston concerning his lieutenant, John Kerry. HILLARY-BILL-DNC-MONDAY PAGE 2 07/26/2002 .STX

I don't know how any American could hear the Reverend Alston and not know John Kerry is the man we need to be our president and commander in chief! (Cheers, applause.)

And yes, we meet at a moment of great peril, but also of great promise for the country we love. Together we can once again widen the circle of opportunity for all Americans. We can once again transcend our differences and divisions. We can once again give our children a safer and more secure future. That is the promise of America, and John Kerry will renew and keep that promise to this generation and generations to come. He knows very well that you have to lead the world, not alienate it. He will -- (cheers, applause.) He will lower the deficit, not raise it. He will create good jobs, not lose them. And he will solve a health care crisis for our people, not ignore it. (Cheers, applause.)

Now I know a thing or two about health care. (Laughter, applause.) And I know that the problems have only gotten worse in the last four years. We need to rededicate ourselves to the task of providing health care coverage for the 44 million Americans who don't have it. (Applause.) And we have to do more to lower the costs for all the rest of Americans, who are facing increasing health care insurance premiums and drug prices. (Applause.)

We also -- we also need to lift the ban on stem cell research -- (cheers, applause) -- and find cures that will help millions of Americans. (Applause continues.)

You know, health care is a serious issue, and it requires serious solutions. And that's what John Kerry is good at, and that's what he will give us.

He will also give us something else: a great vice president by the name of John Edwards. (Cheers, applause.)

Now you know that John Edwards is smart, he's energetic, and he's empathetic. And he understands the challenges that hardworking Americans face in their daily lives. Americans will be proud to have the Kerry-Edwards team in the White House, and they will be proud, as we all will be, to have their extraordinary partners, Teresa Heinz Kerry and Elizabeth Edwards, working for our country as well. (Cheers, applause.)

Now, you know, we've been through our share of challenges as Americans; you know, from a Civil War to a Great Depression to world wars and so much more. But being a senator from New York, I saw firsthand -- (cheers, applause) -- as all of my friends and colleagues did, the devastation of September the 11th. I visited Ground Zero the day after we were attacked, and I felt like I was standing at the gates of hell.

I hope no American ever has to witness a horrible sight like that ever again. And yet, that tragedy both changed and challenged us. I know it did for me. And every day now as a mother, as a senator, as an American, I worry about whether we are acting as wisely as we can to protect our country and our people.

Last week the bipartisan 9/11 commission issued its report, and that commission would never have been in existence had it not been for the brave family members who insisted that this government have a commission to look into 9/11. (Cheers, applause.) And those commissioners issued a sober call to action that we ignore at our peril.

John Kerry understands what's at stake when it comes to our security. We need to fully equip and train our firefighters, our police officers, and our emergency medical technicians. (Applause.)

They are our first responders in the event of a terrorist attack. And we need to secure our borders, our rail lines and our ports, as well as our chemical and nuclear plants.

We need to reorganize our federal government to meet the new threats of these times. And we need to make sure that homeland security is a priority, and that it is funded properly, and that the resources go to the areas of greatest risk, like New York City. (Cheers, applause.)

And along with that, we need to take care of our men and women in uniform, who like John Kerry, risk their lives, and for too many lost their lives in service to our country. These brave Americans deserve better. We need -- (cheers, applause). We need to increase our troop strength, we need to raise their pay. We need to provide our veterans, our National Guard and Reserve with the benefits they are entitled to for the service and duty they perform for our nation! (Cheers, applause.)

And do you know, do you know what we need to meet these challenges? We need a new commander in chief named John Kerry! (Cheers, applause.) I've been saying for many months now John Kerry is a serious man for a serious job in a serious time in our country's history.

So let's join together, not just those of us in this great hall tonight, but throughout our nation, and do everything we possibly can to convince our fellow Americans to look to the future, to look deep inside themselves. They know what is best for our children. And if we just have the courage to act on our conviction, we will, by an overwhelming majority, send John Kerry and John Edwards to do their duty for us in the White House starting next year! (Cheers, applause.)

I am very optimistic about this election because I think I know a great leader when I see one. (Cheers, applause.) And so does America! In 1992 and 1996, Americans chose a president who left our country in better shape than when he took office. (Cheers, applause.) And he still spends his days working to empower the powerless; to promote racial, religious and ethnic reconciliation; to inspire young people to citizen service; and to bring life-saving medicines to people living with HIV-AIDS throughout the world. (Cheers, applause.) He showed Democrats how to win again, and so will John Kerry.

Please welcome the 42nd president of the United States, Bill Clinton! (Cheers, applause.)

(Music: "Don't Stop Thinking About Tomorrow.")

(Cheers, applause.)

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON INTELLIGENCE REORGANIZATION, 8/16/2004

CLINTON: Thank you, Mr. Chairman, and thanks to our witnesses for being here today.

Mr. Chairman, it seems to me that we're struggling with two very significant questions that are difficult to answer. One is, in a system with different and sometimes competing intelligence agencies, both for collection and analysis, how do we ensure accountability? And the second is, how do we ensure that executive branch officials do not cherry pick the intelligence that most conforms to their views, or I think in the words of Secretary Schlesinger, the concept of reality that they hold?

We're dealing with human beings, we're dealing with politics, we're dealing with, unfortunately, partisan politics. You had a Defense Department that already controlled 80 to 85 percent of the intelligence budget, and yet the current secretary of defense thought it necessary to create an Office of Special Plans and go and find even more intelligence to be used for whatever concept of reality existed.

You had a vice president who went over the CIA not once, but innumerable times, to find out what he could find out that would fit his concept of reality. So we need a system that can ensure accountability, but also put some checks and balances back into this system. It is certainly clear that many signals were missed. There's no doubt about that, but I think it would be a shame and a tragic indictment of all of us if we are not more straightforward and honest about the problems we face.

I listened with great interest to my friend Senator Sessions go on and on about the questions concerning tradecraft and the exposure of people, yet I have not heard one call from anyone on the other side of the aisle to conduct a congressional investigation to the outing of Valerie Plame. Talk about an example that's going to send shockwaves through the existing CIA and any of our friends and allies around the world. There's no drum beat for any congressional investigation. Why? Because it's in partisan politics.

So, I mean, I think we can rearrange the deck chairs on the Titanic from now until doomsday, but we need to reassert a sense of ethics and responsibility that go beyond partisan politics, again, to get back to sort of an old-fashioned American patriotism, where our highest obligation is to whatever the facts lead us to. And I don't know how we get that by changing statutes, laws and rearranging government positions.

I also think it would be irresponsible of our committee not to take a hard look at Defense Intelligence. It may very well be, and I think the arguments are quite compelling, that you don't want to interfere with the chain of command or in any way upset the tactical intelligence that's needed in combat. But there have been mistakes, and there have been missed opportunities, both operational and tactical.

I still don't understand what happened at Tora Bora. I don't understand what happened when the Predator allegedly had bin Laden in their sites and didn't fire. I don't know what happened. I think we need to know what happened.

So, even if we conclude that it is not prudent to put any overarching authority over Defense Intelligence, we better make sure we're doing whatever is needed to improve Defense Intelligence, both collection and analysis, and not act as though, oh, well, we're not going to mess with Defense Intelligence because that might possibly interrupt the chain of command and tactical.

We need to make sure we're doing the best job we can with Defense Intelligence. So, there was an example, and the 9/11 Commission talks about it. They call it the millennium exception. At a certain point in time, all the forces of our government were called into a room, day after day after day, run by the national security adviser, because after all, all of these decisions are ultimately going to be decided in the White House. I don't care who you put in charge anywhere else.

And what we need to do is to figure out how to have a system that replicates what worked the one time in our recent history where we think it worked. And that required literally

having people in the same room, being held accountable, having their information vetted, asking for further information from the collection, as well as the analyst side.

So, I think that it's important that we take seriously the need to reorganize, if it is necessary, but there's a much more important, deeper issue at stake here, and that is to try to de-politicize the collection, analysis, cherry picking, utilization of intelligence, no matter where it comes from. And I hope that that won't even be an issue, post-9/11. But, as I say, the outing of Valerie Plame does not give me a lot of confidence -- that we would use a CIA operative for partisan political advantage.

So, I guess from my perspective, and I take very seriously what each of you have said. I have high regard for your opinions, based on many years of service, but let's focus for just a minute in the area of each of your expertise.

Are there types of changes that you think our defense and military intelligence need to make to improve on its performance going forward in both battlefield situations, like Afghanistan and Iraq? And with respect to the point that my colleague Senator Dayton made, he's beating this horse quite vigorously at every hearing, because he is, as I think rightly so, quite appalled by what the tick-tock is that broke down a chain of command under unusual, but nevertheless pressing, circumstances.

So could each of you just address the defense and military intelligence issue for a moment?

SCHLESINGER: Several comments. The first, Senator Clinton, is there may be cherry picking, but it doesn't not affect, in my judgment, collection, which you mentioned. I think that the collection activities go on. I think that the attempt -- we have had failures in collection, most obviously HUMINT in Iraq, but I don't think that the problem of collection is either partisan politics or cherry picking. Now, the interpretation is a problem.

The second point that I would make is in the past we have, as you indicated, had less partisan politics, and I join with you in wishing that we could return to those days. But one must distinguish between partisan -- problems of partisan politics and the problems of real policy differences. And real policy differences are appropriate, and people will disagree with regard to what should be done given certain circumstances. They may do that for partisan reasons, but there are an irreducible level of policy differences.

The third point I would make is, while you're here on Armed Services, strengthen the DIA. You ask what do you do about Defense Intelligence? It is not a real competitor, in my judgment, for the CIA, and we would be better off analytically if we had a stronger DIA.

CARLUCCI: Well, certainly, I think we can all agree, those of us who have served professionally, that partisan politics is very damaging to our intelligence capability and to our military efforts.

I think the one area that requires some attention is the distinction between national intelligence and tactical intelligence becoming increasingly blurred. You mentioned Tora Bora. Well, that fighter in the field actually has to know everything there is to know about bin Laden, his whereabouts. Things that used to be considered national intelligence now have to get into the tactical area. So that argues, once again, for some kind of closer relationship between the DCI and the Defense Department intelligence agencies.

HAMRE: Senator, lots of areas that we need to work. Specifically, I think the need in DOD is for what we call long-dwell collection capabilities. We have two types right now. We have collection that comes from airplanes that fly around, and that's a little like looking over an area with a spotlight, and so it doesn't -- you can only look at a little spot for a period of time. And then of course we have satellites, and they have huge coverage, big, floodlight type thing, but they last for 10 minutes and then you won't be back for another hour and a half.

What we're really needing in the defense world is what we call long dwell, the capacity to get broad area surveillance that can linger, so it has the best attributes of both. It has the capacity to see wide areas but stay over the target area for a long time. Now, that's going to be done with a new generation of remotely piloted vehicles, largely, is going to be the way we'll do this.

It's a ways away, and there are some very serious technical challenges associated with it. They should be military assets, in my view. They should be funded under the TIARA and JMIP, because you want them integrated into war fighting. But they'll have tremendous capacity in the national world as well, and that's a very good example where the tactical systems will feed the national environment.

We do that a lot. That's a good case in point where you would not want to break that relationship, and you'd probably want to put the lead on developing that inside the Defense Department for it. But that's a case in point, and we could come up with other examples like that for you.

CLINTON: Thank you.

WARNER: Thanks, Senator.

Senator, I'm sure you're fully aware, because of your interest in the situation, the Wilson -- Ambassador Wilson's wife -- that the Federal Bureau of Investigation is now having an ongoing criminal investigation. And it's been my experience that when that is taking place, should a parallel investigation begin in Congress, it could impede or imperil the work of the FBI.

CLINTON: Mr. Chairman, I remember very well federal grand jury investigations that had congressional investigations going on simultaneously.

WARNER: I defer to your recollection.

CLINTON: I have personal experience with that.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON DEFENSE INTELLIGENCE REORGANIZATION, 8/17/2004

CLINTON: Oh, thank you Mr. Chairman, and I thank you for holding these hearings.

There are so many questions and so little time, and everyone has been here for so long. I would ask unanimous consent to submit some additional questions for the record, Mr. Chairman.

WARNER: The record will remain open close of business today for further questions to the panel by all members.

CLINTON: Thank you.

There are a number of questions that the 9/11 families have provided that I feel are very important, and I want to submit them.

CLINTON: Senator Dayton was able to ask a variety of questions about the activities on the day of 9/11; the chain of command, NORAD, et cetera.

I think he will be furthering those, and I will add to them as well.

I don't think any of us disagree with the very strong assumption that whatever we do cannot and should not in any way undermine the provision of intelligence to our war fighters and our combatant commanders. But I think there is a concern on the part of not just the 9/11 families, but many people who have watched the interplay between the Department of Defense and the intelligence agencies and the provision of information to the commander in chief over a number of years.

At the end of the day, the Defense Department has an enormous amount of authority, both explicit and implicit, which it operates under and which it does use to influence how intelligence is not only collected and analyzed, but how it's used for decision making.

So, among the questions that the 9/11 families have asked me to pose to you, Secretary Rumsfeld, are the following.

Imagine, for the sake of argument, that there is an NID as proposed by the 9/11 Commission. What are the assurances that you would need in the legislation that would enable you to feel comfortable that the war fighters and combatant commanders were provided for and that the primary obligation of providing tactical intelligence was protected?

Secondly, with respect to tactical intelligence, I think it is important, as I said yesterday, that we not go into this assuming that everything is 100 percent perfect in the area of tactical intelligence.

CLINTON: I think that would be a mistake. I think that there are questions that need to be raised, and among them are those that have been raised by officers who have testified before this committee, starting last spring, with respect to lessons learned.; And in the 9/11 Commission, pages 210-212, there is a description of the coordination problems between DOD and CIA that resulted in what they call a missed opportunity to use armed predators to attack Osama Bin Laden.

There have also been questions raised with respect to the intelligence that was used or not used in the battle situation known as Tora Bora, so I think that part of our obligation on this committee is not just to assume that everything the DOD does has a level of perfection, and we're only looking at the intelligence outside of DOD.

And I know that inside DOD there are lots of after-action reports and lessons learned. And I think it's important that as we proceed with this enquiry as to how to reform intelligence, we have the advantage of your recommendations, with respect to changes at the tactical level that could influence some of these decisions going up the chain.

And finally, this is also directed to Assistant Secretary Cambone, it is bewildering to me that there were pieces of information within DOD, within CIA, within FBI, that were not shared, and that has nothing to do with budget authority, it has nothing to do with human intelligence capacity. It has to do with a breakdown somewhere in the chain that would have gotten information pushed to the top and shared among respective agencies.

If any of you can lend any light to the operational opportunities that were missed, again as set forth in the 9/11 Commission on pages 355 and 356, I think for any of us who read this, it is very hard to understand how the FBI wouldn't be given information that the CIA had, and that continued with respect to Iraq.

CLINTON: As I understand, the problems with the so-called source curve ball, that information was not conveyed to the CIA as to the background of this individual, the reliability of his information.

So we can spend a lot of time talking about rearranging the boxes on the organization chart, but unless there is a fundamental commitment to the sharing of information, at all levels -- you know, national, strategic, operational, tactical -- we're just spinning our wheels.

And finally, because I know you have to put in a lot of words before the times goes up, this whole question of secrecy is something that I think deserves a lot of attention. My predecessor, the late Senator Moynihan, wrote a book called "Secrecy," which I commend to you because in it he raises some very interesting questions about what we need to keep secret and what we don't need to keep secret.

And, in fact, we have overclassified a lot of information that if not kept secret, could have actually helped people at all levels of our government respond to situations that they were confronted by. And it is, I think, a legitimate concern that we have to figure out how to keep secret what is worth keeping secret.

But we have to put this overclassifying and create almost an incentive for people to share information and sometimes to, I think, very detrimental consequences such as the outing of Valerie Plame and also the latest outrage which was the revealing of Mr. Khan's name. I mean, I find those things just inexcusable and unbelievable. And it happens all the time.

So I think the whole question about secrecy, what should or shouldn't be classified, needs to be looked at at the same time.

CLINTON: So having exhausted, I'm sure, my time, I'd appreciate any response that any of you might have to any of these points.

RUMSFELD: I'll leave the CIA/FBI piece to John McLaughlin, but let me just say that you're exactly right, that the problem of stovepiping and not sharing information is a serious one. It is addressed in this report by the 9/11 Commission properly. It's been addressed by the executive branch.

It occurs not only between organizations, as you suggest, but within organizations.

And second, I'm familiar with Pat Moynihan's book on secrecy, and you're correct there, too. When you're dealing with these things everyday, I very often ask: Why is this classified? And give me a declassified version that comes out almost the same.

It is because, I suppose people are busy, they want to be safe, not sorry. And there is a process, always, to review after some period of time. But the overclassification is, I agree, something that very properly ought to be addressed in a serious way. And we'd be happy to respond to some of the other questions in your comments for the record.

CLINTON: What about the issue of curve ball? Dr. Cambone?

MCLAUGHLIN: Well, maybe Steve has a comment on it, but it's properly in my arena as well.

My sense, looking back at that one was that the real problem, Senator Clinton, was the fact that we collectively -- the Defense Intelligence and CIA -- did not have direct access to that source, which generated over 100 technically seemingly solid reports from a technical basis.

And I think that was the key thing that impeded the use of that source. I don't know whether Steve had something to add on that or not.

"This Week with George Stephanopoulos," 8/29/2004

GEORGE STEPHANOPOULOS, ABC NEWS

(Off Camera) And we're back with Senator **Hillary Rodham Clinton**. Welcome.

SENATOR **HILLARY RODHAM CLINTON,**

DEMOCRAT, NEW YORK

Thank you.

GEORGE STEPHANOPOULOS

(Off Camera) Well, actually, thank you for having is in your town.

SENATOR **HILLARY RODHAM CLINTON**

Welcome to New York.

GEORGE STEPHANOPOULOS

(Off Camera) We're also here with a lot of protesters, up to 250,000 demonstrating this morning. Their goal is obviously to hurt President Bush. But are you concerned at all that it's going to backfire, and what's your message to them?

SENATOR **HILLARY RODHAM CLINTON**

Well, George, I think that, you know, peaceful protest is just part of the American political system. And everyone has a right to have their views demonstrated and heard. And as long as people act appropriately, I think that's fine. But you know, my real message is that the best form of making their views known is voting in November. If they do not approve of the policies of this administration, which many of them do not, then they should be sure that they and all of their compatriots are registered. That they are motivated to turn out and vote. Because, you know, this is such an important election, that's why they're obviously out there hoping that people will pay attention to their views on all of the domestic and international issues of the day. But the election will determine the direction of the country, not a protest here in New York.

GEORGE STEPHANOPOULOS

(Off Camera) A lot of people will also be paying attention this week to the families of the 9/11 victims, since we are in New York. And "The New York Times" had a remarkable survey of the families this morning. One of the things they found were that more of the families blamed President Clinton for 9/11 than President Bush. What do you say to them?

SENATOR **HILLARY RODHAM CLINTON**

Well, I have had a lot of personal encounters and contact with members of the families. And you know, it still is such a horrible personal loss that people are going through. I think the 9/11 commission did a very important and commendable job in trying to sort through the facts, trying to, you know, disentangle all of the feelings, the opinions, the emotions from what we know. And I think what they concluded, which I believe is a fair rendering, is that there were missed opportunities. They list ten missed opportunities in the 9/11 commission. Six of those in the first eight months of the Bush administration, four of those in the eight years of the Clinton administration. But they also point out that the only exemplary action that they could point to with respect to our government coming together to deal with the threat of terrorism took place around the millennium, when the Clinton administration really had all hands on deck. So my view is that we need to be looking toward the future, we need to be trying to figure out what we can do to ensure the maximum safety. There is no 100 percent solution. But there is more we could do. I've been speaking out about the need for more homeland security money right here in this city. I think the Republicans will have a wonderful time in New York, how couldn't they, you know, it's the greatest city in the world. But the fact is that their policies and the president's budget are cutting money for firefighters and police officers and we haven't accurately and I think effectively distributed the homeland security money too.

GEORGE STEPHANOPOULOS

(Off Camera) You gave an interview to "Time" magazine that's out this morning, where you called President Bush a bait and switch politician. What do you mean by that?

SENATOR **HILLARY RODHAM CLINTON**

Well, well, you know, you look at that 2000 campaign, and compassionate conservatism, and a uniter, not a divider, you know, you couldn't hear anything else. Well, in fact, that's not the case. But again, they're coming to New York, they're going to run a kind of Potemkin convention where they will have people on the stage who don't run the Congress, don't run the administration, but are going to be putting the kinder and gentler compassionate conservative look on this administration.

GEORGE STEPHANOPOULOS

(Off Camera) Governor Pataki in prime time.

SENATOR **HILLARY RODHAM CLINTON**

Yes, and you know, Governor Schwarzenegger and people like that. I really believe that the show that the Republicans will put on is not going to fool the American people this time. You know, back in 2000, people didn't have any experience. The governor from Texas said, you know, I want to be a uniter, and he's run one of the most divisive administrations in our country's history. He said he was going to be compassionate and conservative, he's been neither. I think, though, the reality show that we've lived the last three and a half years is going to trump any effort to try to divert and deflect attention from the true agenda of this administration.

GEORGE STEPHANOPOULOS

(Off Camera) You know, you know, the Republicans say the same thing about Senator Kerry, that he says one thing and does another. The phrase they always bring up is when he said I voted for the \$87 billion for Iraq before I voted against it. And both you and he voted for the Iraq resolution. But you've been very critical of how President Bush has used that authority. If you knew now what you knew then about, if you knew then what you knew now about how President Bush has used that authority, would you vote to give it to him again?

SENATOR **HILLARY RODHAM CLINTON**

George, we wouldn't have had a vote. There is no way any president could have brought a vote to the United States Congress in the absence of good intelligence, with no credible plan. We wouldn't have had a vote. And I think that, you know, one of the judgments that the American people will have to make about this administration is whether or not they are competent. I mean, we're talking about not just miscalculations, which the president finally admitted to in an interview on Friday, we're talking about a series of wrong judgments that have literally been matters of life and death. So I think that the American people have a chance in the next two months to really hold this administration accountable. But it's not just on foreign policy, and the miscalculations there, it's domestically as well. You know, every time we have more information, we are just, unfortunately, given more evidence that, you know, we have more people in poverty, we have more people losing their health insurance. We have not one net new job under this administration's leadership. I think it's a sorry record. And I hope that what worked for them in 2000, which was diverting and deflecting and baiting and switching and pretending to be one thing but turning out to be something else has run its course.

GEORGE STEPHANOPOULOS

(Off Camera) So you don't think you made a mistake voting for the resolution?

SENATOR **HILLARY RODHAM CLINTON**

Oh, I think based on the information that we had at the time, I don't regret giving the president authority but as I've said many times, I regret the way he used that authority.

GEORGE STEPHANOPOULOS

(Off Camera) Why don't you think Senator Kerry answered the question the way you just have right now?

SENATOR **HILLARY RODHAM CLINTON**

Well, I think he did, George. I think that, you know, I have a high regard for Senator Kerry personally and professionally. I think he is an incredibly thoughtful, tough-minded person who wants to understand issues. He doesn't just adopt a position and stick with it and make consistency some kind of virtue even when the evidence is against, you know, the position you've taken. I think that his approach has been rooted in an understanding of the world that we are desperately in need of today.

GEORGE STEPHANOPOULOS

(Off Camera) He's also called on secretary of defense Rumsfeld again in the wake of this Abu Ghraib report to resign. Do you believe Secretary Rumsfeld should resign?

SENATOR **HILLARY RODHAM CLINTON**

Well, I'm hoping that we fire the entire administration November 2nd. You know, I don't think that one cabinet member, even one as powerful as Secretary Rumsfeld is the answer. You know, the policy starts in the White House, the president and the vice president are the ones who've been setting the policy. They've had, you know, willing allies throughout their administration to carry out these wrongheaded policies. But there's another perfect example, I mean, the Schlesinger report, the report from Generals Fay and Jones clearly point out that there was a climate created, that accountability does run to the highest levels at the Pentagon-. This administration has only ...

GEORGE STEPHANOPOULOS

(Off Camera) But excuse me, right there, if that's true, why shouldn't Secretary Rumsfeld resign now?

SENATOR **HILLARY RODHAM CLINTON**

Well, my view is that the entire administration should be gone in two months and they will be gone in two months if the American people get the facts and the evidence that they need to form the right decision and make the choice that is in the best interest of our country.

GEORGE STEPHANOPOULOS

(Off Camera) You know, this morning, also in "Time" magazine, Laura Bush was asked about the swiftboat ads that have been run against Senator Kerry. And she was asked if they were unfair. And she said not really. Do you agree with that?

SENATOR **HILLARY RODHAM CLINTON**

Oh, I think that's unfortunate. Because of course, they're not only unfair, they're flat out wrong. Even the president has, you know, regretted that they're being used in this way. You know, the bottom line here is John Kerry is an authentic war hero. In fact, that's a phrase that Zell Miller used about him in 2001. It's a phrase that anyone who looks at the record would have to repeat. And this attempt by the Republicans to smear a man of John Kerry's character and courage goes to the heart of their pathetic campaign.

GEORGE STEPHANOPOULOS

(Off Camera) You said the Republicans. Do you believe President Bush is behind it?

SENATOR **HILLARY RODHAM CLINTON**

Well, certainly people close to his campaign have been involved in it. I don't think, you know, if you find a turtle on a fencepost it didn't get there by accident. I think you have got

to point to the fact there has been a concerted effort to engage in these smear tactics against Senator Kerry in order to divert attention from the failure of their domestic policies. They don't want to talk about the economy or their fiscal policies that have driven us back into debt and deficit. They don't want to talk about people losing their health insurance, the latest number is 5.2 million, or the four million Americans who have fallen back into poverty. They can't talk about a their record, so they either explicitly or implicitly encourage these kind of smear tactics, and then when asked will not condemn the advertising that engages in these smear tactics and uses falsehoods to try to impugn Senator Kerry.

GEORGE STEPHANOPOULOS

(Off Camera) But many have said that Senator Kerry brought this on himself. He made his Vietnam record fair game by highlighting it at the convention and especially his antiwar activities. And I wonder, do you understand why people might be upset with Senator Kerry's 1971 testimony and his antiwar activities?

SENATOR **HILLARY RODHAM CLINTON**

But you know, George, it would be fair game to debate that but not to try to smear his courage under fire in Vietnam. Those are two different issues. You know, John Warner, the chairman of the Armed Services Committee on which I serve, was the secretary of the Navy at this time in history. He has said that John Kerry deserved every medal he received. You know, so if you're going to argue about the courage that I believe Senator Kerry showed when he returned from Vietnam and tried to prevent the loss of more lives, you know, at the time he returned, I think the death toll was 44,000. We lost, you know, more than 10,000 additional young, you know, men in the ensuing years. You know, argue about that but don't stand up there and pretend that you have information which is discredited at every turn that would in any way impugn his character. So my view is that, yeah, you can argue that you don't think that he should have tried to prevent further loss of life. I frankly think that it showed his, you know, his courage under a different set of circumstances. But this is all intended, this entire smear and this attempt to divert and deflect attention from the real issues of the campaign. And you know, when all is said and done on November 3rd, what happened 30 years ago is not relevant to what is going to happen in the lives of the American people.

GEORGE STEPHANOPOULOS

(Off Camera) Let's turn to some of those issues that are happening today. You know, you've seen these reports over the weekend that Larry Franklin, an analyst in the Pentagon, is being targeted by the FBI, according to many reports, for spying for Israel. Both Israel, the state of Israel, and the American Israel Public Affairs Committee, a Washington lobby supportive of Israel, that's also implicated in some of these reports, have denied any wrongdoing whatsoever. Are you 100 percent confident that they had no involvement?

SENATOR **HILLARY RODHAM CLINTON**

Well, I don't think we know. I mean, I think the first the most of us knew about this was the reports in the paper in the last, you know, 48 hours. You know, let's see where the investigation goes.

GEORGE STEPHANOPOULOS

(Off Camera) But you're not, you're not concerned about AIPAC?

SENATOR **HILLARY RODHAM CLINTON**

You know, I don't think anybody knows, you know, what the facts are. And so, you know, I've learned a long time ago, let's just wait and see what happens with the investigation.

GEORGE STEPHANOPOULOS

(Off Camera) You mentioned a few minutes ago Zell Miller. He's a Democrat, he's giving the keynote speech at the Republican convention, 12 years ago in Madison Square Garden for Bill Clinton, he gave the keynote address for Bill Clinton. What happened to Zell Miller?

SENATOR **HILLARY RODHAM CLINTON**

Right. Well, he would have to answer that. But you know, 12 years ago he was very concerned about fiscal responsibility and that deficit that had been run up in the 12 years prior to the '92 election. You know, I don't hear him talking a lot about that a lot this time. And as I said, in 2001 in Georgia, he introduced John Kerry, he called him an authentic war hero, he commended him for the work he had done in the Senate to try to get the budget balanced and to bring some fiscal sanity to Washington. So you'd have to ask him what happened.

GEORGE STEPHANOPOULOS

(Off Camera) Finally, you know, I want to show a poll that the NBC and "The Wall Street Journal" did this week, of Republicans, and they showed that of all the Democrats in the country, you're the most disliked. You beat out President Clinton, you beat out Senator Kennedy, Jesse Jackson, Al Gore, and Senator John Kerry. For you, is that a badge of honor or something to fix?

SENATOR **HILLARY RODHAM CLINTON**

Well, it's a perverse form of flattery, I guess. I don't know. I can't worry about that.

GEORGE STEPHANOPOULOS

(Off Camera) Nothing you need to do about it?

SENATOR **HILLARY RODHAM CLINTON**

Actually, you know, I feel very good about the work I've done here in New York, and the work I've done in the Senate and you know, when you take strong stands and when you stand up for what you believe in, and when you take on the Republicans for their tactics, as I try to do, because I think it's bad for the country, I suppose, you know, that will engender some reaction. But it doesn't bother me.

GEORGE STEPHANOPOULOS

(Off Camera) We also have Governor Pataki on the program today. As you know, some talk that he's gonna challenge you in 2006 for the New York Senate. Formidable opponent?

SENATOR **HILLARY RODHAM CLINTON**

You know, I don't worry about who might or might not run. I can't worry about that. I just do what I try to do everyday. And just, I love my job, I love what I'm doing. And I'm working hard to elect John Kerry and John Edwards because I really believe that four more years of this administration with its international and domestic policies would be incredibly damaging to America.

GEORGE STEPHANOPOULOS

(Off Camera) But you are going to run for reelection?

SENATOR **HILLARY RODHAM CLINTON**

Well, I intend to.

GEORGE STEPHANOPOULOS

(Off Camera) Finally, what's the one thing that Republicans coming to New York shouldn't miss?

SENATOR **HILLARY RODHAM CLINTON**

They should just have a great time and they should also thank all of our police officers and firefighters, and then tell the Republican administration to fund our police officers and our firefighters, give us the homeland security money that these brave American men and women need and deserve to do the job they're doing for the Republicans and they job they do for New York everyday.

GEORGE STEPHANOPOULOS

(Off Camera) Senator Clinton, thanks very much.

SENATOR **HILLARY RODHAM CLINTON**

Thanks.

GEORGE STEPHANOPOULOS

(Off Camera) We'll be back.

commercial break

ANNOUNCER

Once again, from New York, George Stephanopoulos.

"CNN Late Edition with Wolf Blitzer," CNN, 8/29/2004

The junior Democratic senator from New York state, **Hillary Rodham Clinton**, is a key part of that Democratic Party effort. Just a short while ago here at Madison Square Garden, I spoke with Senator Clinton about the Republican Convention, concerns about terror and much more.

(BEGIN VIDEOTAPE)

BLITZER: Senator Clinton, welcome to Madison Square Garden. You've been here many times, but not at a Republican Convention.

SEN. HILLARY **CLINTON** (D), NEW YORK: You're absolutely right about that. In fact, as we were just talking, there's never been a Republican Convention in New York before. So I'm delighted to be part of the welcoming committee.

BLITZER: You wanted this Republican Convention here in New York, didn't you?

CLINTON: I wanted anything that would show that we were open for business and just the greatest city in the world after 9/11. And I'm delighted that the Republicans are here. I hope they spend a lot of money and a lot of time here.

BLITZER: Is it going to cost New York State a lot of money to deal with this Republican Convention?

CLINTON: Well, the security costs are enormous. We were able to get some money from the Congress to help defray the costs in both New York and Boston. But, you know, it's just a very difficult financial commitment to do what we do better than anybody in the world, which is provide security.

And I'm hoping that, maybe as a result of their being here, the Republicans, led by the president, will give us some more help with our homeland security needs.

BLITZER: Is everything in place security-wise? Are you confident that the threat levels and all of that have been worked out so that everyone who comes here will be safe and secure?

CLINTON: You know, Wolf, I met earlier with the mayor and Commissioner Ray Kelly. I'm confident that they have done everything they know to do that is humanly possible.

Now, I do wish we had more federal resources for our ports, for example, for our rail lines, for our subways. But given what needed to be done, I am very confident that the team in New York City has done it better than anybody else could.

BLITZER: All right. Let's talk a little bit about politics right now. Those Swift Boat ads going against the Democratic presidential nominee, John Kerry. Did he wait too long to respond vocally and aggressively and deal with that issue?

CLINTON: You know, Wolf, it's so sad that these smear tactics have been undertaken by this group and, apparently, with at least the knowledge, if not complicity, of high-ranking members in the Bush administration.

And this is a tactic not only to impugn the courage and the character of Senator Kerry, which I think is beyond dispute -- the chairman of the Armed Services Committee, on which I serve, Senator Warner, was the secretary of Navy during this time. He said that, you know, John Kerry earned and has earned every medal he received.

But this is really an effort to not only, you know, fight the Vietnam War all over again, but to divert attention from the issues that are important right here and now and that will affect the future of our country, at home and abroad.

BLITZER: Who are the high-ranking officials in the Bush administration who were at least complicit in this?

CLINTON: Well, of course, the counsel to the campaign, who had to resign. And then very close...

BLITZER: But he's not a member of the administration. He's a member of the campaign.

CLINTON: But I said the campaign, the campaign. But, you know, I mean, I think we're splitting hairs.

But the real bottom line is that they were not only inaccurate, but they were smear tactics. And they were designed to divert attention.

So, you know, people are focused on the response. A lot of the outrage is by the effort to try to undermine the heroism and courage of a young man who did his duty for his country, came home, and has had a distinguished life of public service.

BLITZER: But one thing you learned and former President Clinton learned early on, when attacked, you don't wait, as Michael Dukakis did in '88. You go right back on the offensive. He waited two, three, four weeks as this was building up and up and up. And clearly, according to the polls, it's had a negative impact on him.

CLINTON: Well, I think that, you know, you can always debate tactics. The bottom line is that these were, you know, smears. And I think the American public are seeing that.

And they're also understanding that this convention, which is about to start tomorrow, is sort of a bait-and-switch convention. They're going to talk about things that they are, you know,

not really committed to. They're going to have leaders who don't have any influence in Washington.

And I think what the Kerry campaign has done in a very consistent way is to point out the miscalculations and the wrong direction that this administration has taken us.

BLITZER: You said in an interview in the new issue of Time magazine, and you're hinting at it right now, "I don't think that we have had a president in recent memory who did such an about-face after getting elected. I can only conclude that he's a bait-and-switch politician."

All right. Explain specifically that charge.

CLINTON: Right. Well, you know, just two examples.

The compassionate conservative theme that we heard all the time in 2000, and this administration has been neither compassionate nor conservative. Certainly, it's been quite radical on many agenda items, most particularly the abrupt move back into these deficits and the reckless fiscal policies, the fact that no jobs have been created, that...

BLITZER: But didn't he avoid a recession?

CLINTON: No, no.

BLITZER: Wasn't there 9/11? Weren't there factors out there that caused these economic problems?

CLINTON: Well, you know, Wolf, there's always a business cycle. And the recession technically started in March of 2001, and there probably would have been some need for adjustments.

But what this administration has done is to throw the baby out with the bath. Instead of making mid-course corrections, instead of having some affordable tax cuts, they, indeed, had these massive tax cuts that totally obliterated the surplus that was projected.

And because of that, they have not been able to find their footing when it comes to the economy. And this will be the first administration since Herbert Hoover under which not one new job has been created.

Across the domestic agenda we see that. You know, the recent Census figures: 4 million people have fallen into poverty, 5.2 million people have lost their health insurance.

These are dire bits and pieces of information that, I think, put together, paint a very dramatic picture of an administration that said it would do one thing and has done something else.

BLITZER: In the past year, though, things have gotten better. A million new jobs have been created in the past year, albeit that a few million were lost in the first...

(LAUGHTER)

CLINTON: Albeit? If it's your job, that's pretty important.

BLITZER: But it's still getting better. The economic growth of the country seems to be moving in the right direction.

CLINTON: I just don't see that. I think that there have been, you know, some signs of improvement, thank goodness, for everybody's sake. But on balance, what you've got are 4 million more people in poverty than there were just 3 1/2 years ago; 5.2 million people who've lost their health insurance; 45 million people without health insurance now; not one new net job created.

And, you know, this president also campaigned on being a uniter, not a divider. And, for goodness sakes, that was the greatest bait and switch, you know. And it's especially painful for many of us because, after 9/11, we united behind our president, and I thought that was

the appropriate thing to do. But instead of using that unity, the president has gone far to the right and has appealed to the most right-wing elements of his constituents.

BLITZER: Having said that, let's take a look at the latest CNN- USA Today-Gallup poll. "Who's more likely to stand up for what he believes in?" The president, 52 percent; John Kerry, only 35 percent.

The American people are confused, at best, about John Kerry, what he stands for. That's a problem he has.

CLINTON: Well, I think, though, as the campaign has moved forward and the issues have been joined, I'm very confident that by November a majority of voters is going to say that you can be consistent, and maybe in some respects that is a positive, but when you're consistently wrong, as this president has been, and refuse to make any kind of mid-course adjustments -- finally the president on Friday in an interview said that he made a miscalculation in Iraq.

Well, all of us have known that for months. You know, he refused to admit any mistakes.

This president is on a path that, with four more years, would render our country really unrecognizable. You would see a decrease in the standard of living, a decrease in the income for the middle class, an increase in poverty. So many of the indicators would be going in the wrong direction.

BLITZER: The miscalculation he spoke about was the miscalculation that there would be such a spectacular, swift defeat of Saddam Hussein, and that they weren't necessarily ready for that huge victory in time to deal with the reconstruction.

CLINTON: Well, that's how he's tried to spin it. But as a matter of fact, there were a lot of people inside and outside the government who predicted exactly what happened. And they were given absolutely no opportunity to have their voices heard.

And, in fact, when the economic adviser, Mr. Lindsey, said this was going to cost \$200 billion, when General Shinseki said this was going to be at least 200,000 troops, those were people who were basically shut out completely. They had a view of reality that was wrong.

So you can say that he's consistent, but he's been consistently wrong. He's wrong on issues about the economy, he's wrong on issues on education, on health care, on energy, on the environment, that I think all add up to a very strong case against him.

BLITZER: Do you agree with John Kerry that Donald Rumsfeld should resign as defense secretary?

CLINTON: Well, I'm hoping that the entire team is fired on November 2nd. I don't think this is just about the secretary of defense. I think this starts at the top, with the president and the vice president. And I'm hoping that we'll have a change in administrations.

BLITZER: So at this point you're not going to say what John Kerry said, that he should go?

CLINTON: Well, I think that, you know, it's a perfectly defensible position, but I'm looking even beyond that. I want to see all of them gone.

BLITZER: Do you agree with the president? He'd like to see all of these so-called 527 advocacy groups that are putting out all these attack ads, attack ads against John Kerry, the Swift Boat ads, attack ads against the president, would you like to see those 527 organizations removed?

CLINTON: You know, I have no problem with eliminating any group that is misusing their financial position to spread inaccurate falsehoods.

And that is indeed what has happened with respect to Senator Kerry. I haven't seen a lot of the other ones. I don't have a comment on that.

BLITZER: The other ones, ones that are attacking the president, are pretty, pretty strong, the ones from MoveOn.org and some of these other groups.

CLINTON: Right. Well, you know, then I think we need to take a look at all of this.

But the point here is that these smear tactics against Senator Kerry, which are totally wrong and false, are being used to divert attention back 35 years, when we should be looking forward four years.

And we need to keep our focus on what this administration, given what it's already done, is likely to do to our country if they have all the power as they're seeking in the next four years.

(END VIDEOTAPE)

BLITZER: More of our interview with **Hillary Rodham Clinton**. That's coming up.

We're also monitoring other live developments under way here in New York City, including Governor George Pataki, the governor of New York State. He's speaking out on Ellis Island right now, kicking off this Republican National Convention.

Across town at the Riverside Church, the former president of the United States, Bill Clinton, has just wrapped up speaking to churchgoers there. You see the former first lady, now the senator from New York, **Hillary Rodham Clinton**, there, as well. We taped our interview with her just before she went over to the church to meet up with her husband.

We're watching all these developments, including these large protests unfolding outside Madison Square Garden here in Manhattan. You're looking at live pictures of that.

We'll take a quick break, a check of what's making news right now. That's coming up. Then more of my interview with New York Senator **Hillary Rodham Clinton**.

More of our special "LATE EDITION" from Madison Square Garden. That's coming up.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

RICHARD CHENEY, VICE PRESIDENT OF THE UNITED STATES: ... a man of his word, as the Taliban were the first to find out. Under the president's leadership, we drove them...

(END VIDEO CLIP)

BLITZER: Vice President Dick Cheney speaking at Ellis Island, welcoming Republicans to the national convention here in New York. We'll watch his words, go there live if necessary. The vice president of the United States already in New York for this week of the Republican National Convention.

Welcome back to "LATE EDITION."

Now let's continue with more of my interview with the New York Democratic senator, **Hillary Rodham Clinton**.

(BEGIN VIDEOTAPE)

BLITZER: Do you regret your vote in favor of giving the president the authority to go to war against Saddam Hussein's Iraq?

CLINTON: You know, Wolf, I have said I don't regret giving the president authority. I regret deeply the way he used that authority. And I think there is plenty of reason for us to question the decisions that were made from the moment that he received that authority.

BLITZER: But when you voted for that resolution, like almost everyone else, you believed Saddam Hussein had weapons of mass destruction?

CLINTON: Right, right. Well, indeed I did. And if someone asked me that if we had known then what we know now, there wouldn't have been a vote. You know, no administration would have come to the Congress and asked for a vote that would have authorized any kind of action based on what we now know.

But, you know, we are where we are. And what we have to do at this point is get new leadership, so that we can prosecute the war on terrorism more effectively, so that we can actually have a fighting chance to be successful in Iraq.

BLITZER: Did those nearly 1,000 U.S. troops who have died in Iraq die in vain?

CLINTON: Oh, Wolf, I think that, you know, the removal of Saddam Hussein and the actions that our brave men and women in uniform have taken are a great credit to them, their families and our country. And they paid the price of their service in an ultimate fashion with the loss of their lives, plus the many who have been grievously injured.

You know, what we need to be focused on is which president is more likely to make decisions that will achieve our objectives with putting the least amount of lives at risk? You know, we were successful in Kosovo and we didn't lose a single American military person. And I think we need a smart strategy.

You know, I resent it when the Republicans say that we're better, meaning they are better, on national defense than the Democrats. It was Democratic presidents who prosecuted the wars that were successful in this past century that, you know, there's no debate about. And I am a strong proponent of a national defense that is smart.

BLITZER: But you have to admit, it was Democratic presidents, your husband, and Republican presidents, the first President Bush, who really didn't do enough to prevent this al Qaeda terror organization from developing the way it did throughout the '90s.

CLINTON: Well, I think, Wolf, the 9/11 Commission has it right, that there were probably 10 missed opportunities -- six of them during the first eight months of the Bush administration, four during the eight years of the Clinton administration.

But they also pointed out that the exemplary fashion that the Clinton administration dealt with the millennium threat is what should have been done going forward.

You know, every one of us learned things. The American people learned things about what our real threats were. Now we have to make sure we're doing all that we can do.

And that's where I part company with the administration. I don't think their homeland security strategy is up to the task that we confront.

BLITZER: We only have a little time left. I want to get through a couple points: Iran, one of the axis-of-evil countries based on what president said a couple of years ago.

How worried are you that the Iranians are developing a nuclear bomb? And what, if anything, should the U.S. do about it?

CLINTON: Well, obviously I'm concerned. I mean, the information coming out of Iran is somewhat mixed but, I think, points to a continuing desire to at least have nuclear capacity. And we need to be, you know, as engaged as we possibly can. And we need, this time, to try to bring the rest the world along with us.

BLITZER: Can the U.S. tolerate a nuclear power in Iran?

CLINTON: Well, I hope we never reach that point. I hope we're able, through a different approach than this administration has taken to date, in trying to muster public opinion and working with others as well as the Iranians, to try to reach a point where that's not necessary.

You know, the principle architect of the Iranian nuclear capacity is Russia. And, you know, we have a lot that we should be doing with Russia that we're not.

I just came back from a trip with John McCain to Estonia, the Arctic, and Iceland. And there's a lot of concern about, you know, Russia's actions and motivations.

There's a lot we should be doing. And we are so totally diverted in a way that I don't think leads to a safer, stronger America in the world.

BLITZER: You're a member of the Senate Armed Services Committee. There are reports now that the FBI's investigating the possibility of an Israeli spy at the Pentagon. What have you heard about this? Can you give us some perspective?

CLINTON: Wolf, all I know is what I read in the paper. I returned from this trip to the Arctic and Iceland, Ireland, other places last night. I've read the articles, and I'm waiting to see what the investigation proves.

BLITZER: You haven't checked? Your staff hasn't checked?

CLINTON: No. Well, they've been checking, but, you know, we're going to stick with what the public information is.

BLITZER: One final question. We spoke when you were running for Senate in Buffalo, New York, my hometown. You promised, at that point, you'd serve all six years, if elected. You've been elected. You're obviously going to serve six years.

But what about down the road in 2008, 2012? Would you like to be president of the United States?

CLINTON: You know, in 2008, I hope I'm going to be working for the reelection of John Kerry and John Edwards.

You know, I love my job. And I think you have a sense of it. I mean, you're from Buffalo. You know what a fabulous place New York is. I enjoy what I do every single day. I want to keep doing it.

BLITZER: A lot of conservative radio talk show hosts would love you to run for president.

(LAUGHTER)

CLINTON: Well, it's a perverse form of flattery, I know, their obsession with me. But I'm doing what I want to do. And I'm going to do the best job I can do to elect John Kerry president.

BLITZER: Is it possible that Rudy Giuliani, you think, might be challenging you for reelection?

CLINTON: I have no idea. I have no idea. You know, that's not how I think. I'm just focused on what I can do, which is the best job that I'm capable of doing for the people of New York and everything that I can possibly do to elect John Kerry, elect, you know, more senators in the Senate, which I think would be good for New York and the country.

BLITZER: Senator Clinton, thanks for joining us here at the Republican National Convention.

CLINTON: Indeed, indeed. Thank you, Wolf. Thanks very much.

(END VIDEOTAPE)

"Meet the Press," NBC, 8/29/2004

MR. RUSSERT: And we are back. Senator Clinton, welcome.

SEN. **HILLARY RODHAM CLINTON**, (D-NY): Thank you.

MR. RUSSERT: A former Goldwater girl and you were at the '68 Republican convention in Atlanta?

SEN. **CLINTON**: I was. I was there. Yep. I write about it in my book. You know, I had spent the summer as an intern for the House Republican Conference Committee, headed at that time by Gerald Ford. And had an incredible experience.

MR. RUSSERT: But now you're a full-fledged Democrat?

SEN. **CLINTON**: Yes, I am. Yes, I am. I've seen the light.

MR. RUSSERT: Five national polls this last week all show George Bush has pulled ahead of John Kerry. The president's favorable rating breaking 50 percent. In those two numbers, an incumbent has never lost an election for re-election. What's John Kerry's problem?

SEN. **CLINTON**: Oh, Tim, I think this is a close election. It's always been and it will be, right down to the wire. There's a lot of concern in the country about how to evaluate what our direction should be. But I am confident, as I have been from the very moment John got the nomination back in the spring, that he is going to be elected. And he's going to be elected because the failed policies on the domestic agenda of this administration cannot be ignored. I mean, these new census figures, 5.2 million more people have lost their health insurance, four million have fallen back into poverty. Not one new net job yet created under this administration. You know, the evidence cannot be ignored, deflected, and we can't be diverted from it. And eventually that's going to make the difference.

MR. RUSSERT: Has the Swift Boat Veterans ads distracted John Kerry and has now George Bush saying that Kerry's service was heroic ended that issue?

SEN. **CLINTON**: Well, it should have never started, because it's, you know, just such a tragedy that anyone would spread false stories about John's heroism under fire. There's no doubt that, you know, he served with great distinction and courage in Vietnam.

But the issues are not what happened 30 years ago. The smear tactics used very effectively by this group, in, you know, conjunction with people very high up in the Bush campaign have been an effort, not only to impugn Senator Kerry but, more importantly, to divert and deflect attention from what's really at stake internationally and domestically. So maybe now we can get back to talking about the future and where we go as a country.

MR. RUSSERT: Is Mayor Giuliani right that all the ads from 527 committees should be taken off the air, even those that are against George Bush?

SEN. **CLINTON**: Well, we're going to have to look at this whole 527 issue. Obviously, too much money is chasing too many issues that, unfortunately, are being distorted. I mean, if there was some standard of accuracy, you know, we wouldn't be here talking about it. But there isn't. But what I most regret is that we're not talking about what really matters to people on November 3, after they wake up after this election, and they're going to be confronted with a stagnant economy, a huge deficit and, unfortunately, a lot of problems that have really happened, not just on the president's watch, but because of the miscalculations of this administration.

MR. RUSSERT: But in the interim why not have, in effect, a truce and pull all 527 ads down on both sides?

SEN. **CLINTON**: Well, I'd be for that. I don't think that you'll get agreement on that because there's too much, you know, intensity and too much money. But at the very least the public and the press should be alert and when you have falsehoods being spread, both to essentially assassinate the character of a candidate, and to try to divert attention from what's really at stake in the election, particularly here with the economy and all the other issues that are stake, you know, they ought to be called to account for that.

MR. RUSSERT: The speaker of the House has written a book where he takes to task you and other New Yorkers, and this is what he says: "Dennis Hastert is charging in a new book that New York lawmakers' attempt to win financial aid after the 9/11 attacks amounted to an 'unseemly scramble' for money..."

SEN. **CLINTON:** That's so sad. You know, we had to fight very hard, and it was a united delegation, Republicans, Democrats, downstate, upstate, everybody pulling together. You know, any of us who saw the devastation, which I know the speaker did, understood that we had to move quickly. We needed not only to reach out and help repair the physical damage and the emotional and tragic losses, but to send a signal to the world that New York was open for business. You know, it wasn't a mistake that we were attacked. We were attacked because of what we symbolize. So we did our part and I'm grateful that we were successful in getting the resources that New York needed and deserved.

MR. RUSSERT: Will you be able to get the formula changed so that New York is targeted and Washington is targeted because they are perhaps ground zero for a future attack?

SEN. **CLINTON:** Absolutely. You know, the way this works is that a lot of money does go out in a per capita basis, but then a lot of money on top of that is being distributed also on the basis of population. The president could issue an executive order tomorrow that redirected that money, and I wish he would, because what we're seeing in New York is a heroic effort on the part of our city, the firefighters, the police officers and others who are on alert. But we are losing money. We're not only losing money because we're not getting our fair share of the homeland security dollars, but under this president's budget, we're cutting the COPS program, we're cutting law enforcement grants, we're cutting money for firefighters. It doesn't add up, so we need to have the president take some leadership on this.

MR. RUSSERT: There's been a big discussion about Vietnam. Many people are wondering why this country is not debating Iraq in this presidential race. Jay Rockefeller, the vice chair of the Senate Intelligence Committee, was on this program a few weeks ago and this is what he said: "There is simply no question that mistakes leading up to the war in Iraq rank among the most devastating losses and intelligence failures in the history of the nation. The fact is that the administration at all levels, and to some extent us"--meaning Congress--"used bad information so bolster its case for war. And we in Congress would not have authorized that war--we would not have authorized that war--with 75 votes if we knew what we know now."

Do you agree with him?

SEN. **CLINTON:** There would not have been a vote, Tim. There would never have been a vote to the Congress presented by the administration. There would have been no basis for it. But we are where we are, and what I think we have to do now try to understand the series of miscalculations which for the first time ever the president admitted in an interview last week, have occurred which have rendered our situation more dangerous, less safe, and have put back the effort to try to stabilize and democratize Iraq. I believe with all my heart that, you know, we have to have new leadership at the highest level of our government in order to be successful in the strategy we have embarked upon in Iraq. No matter how we got there, and as I said, we wouldn't have even had a vote if all the facts had been available.

MR. RUSSERT: But John Kerry said he would vote again today for authorization, even knowing what he knows now. You don't agree with that.

SEN. **CLINTON:** Well, but I think the point John was making was the same one I was making, that we don't have a choice to have hindsight. You know, I have said many times, I think on this program, that I don't regret giving the president authority based on what we knew at the time, but I regret deeply the way he's used it.

I think there have been so many mistakes made, but it's not just in the international arena, and I want to keep coming back to this, because the economy is the number-one issue that people are living with. This president's not doing anything about outsourcing, his reckless

fiscal policies have really put us into such a deep deficit hole, that whoever is president is going to have to start digging out. Unfortunately, this president doesn't seem to understand that. The energy dependence that we have and no plan to get us out of it. The appointments that are going to be made by a second term if, you know, there were one of this administration. All of this adds up to a very sobering picture of four years of unaccountable use of power based on, unfortunately, a past record of miscalculations which I don't think we can afford.

MR. RUSSERT: Senator Kerry said that Secretary of Defense Donald Rumsfeld should resign. Do you join him in that call?

SEN. **CLINTON:** Well, I'm hoping the entire administration's fired on November 2. I think that it's not just the secretary of defense that needs to go, it's the entire administration, starting at the top with the president and the vice president.

MR. RUSSERT: But do you think that Rumsfeld will resign before that?

SEN. **CLINTON:** I don't know. That's up to the president, obviously, and to Secretary Rumsfeld, but what I'm focused on is changing the entire administration on November 2 and putting in people who will get us back on the right track here at home and around the world.

MR. RUSSERT: There's a lot of discussion about John Kerry and flip-flops. Rudy Giuliani in August said this about Senator Kerry on Iraq: "I don't know what [Kerry's] position is on Iraq. Of course, it changes all the time. There hasn't been a consistent position. He voted for the war. Then he voted against funding the war. Then he said that he voted both for the funding and against the funding. So there have been so many different positions. Honestly, again, I mean this in the most respectful way. I don't know Senator Kerry's current position on Iraq."

And what he's pointing to, Senator, is you both voted for authority for the president to go to war, but you voted for the \$87 billion to support the troops. Senator Kerry voted against it. Joe Biden, a fellow Democrat, said this: "The truth is, [Kerry] usually spends more time talking about the politics of a vote ... and that was certainly the case on the \$87 billion." And then this: "As one of [Kerry's] advisers put it ... 'Off the record, he [voted against the \$87 billion] because of Howard Dean. On the record, he has an elaborate explanation.'"

And then Biden again: "Biden himself ultimately voted for the [\$87 billion], and he confirmed that Kerry's decision not to was 'tactical,' an attempt 'to prove to Dean's guys I'm not a warmonger.'"

Didn't you advise John Kerry to vote for the \$87 billion?

SEN. **CLINTON:** Well, we had lots of discussions during that time period. But, you know, this reminds me of what the Bush campaign did to John McCain. You know, John McCain has voted against defense appropriations bills in order to make a point, and the Bush campaign then went after him, pulling something out of that bill and saying that he wasn't in favor of breast cancer research.

You know, I think John, who understands war a heck of a lot better than I do, for example, and has understood completely what it would mean for us to be on a wrong path in Iraq, was making the point that, you know, by the time we had that vote, we needed to take a hard look at the policies of this administration. That was a perfectly legitimate position. And I think just like John McCain, nobody can say that John Kerry doesn't support our troops, that he doesn't know firsthand the dangers and perils of combat.

But this whole discussion, you know, Tim, is unfortunately really playing into the hands of the convention we're about to see over the next four days. They are running what I call a bait-and-switch campaign. They did it in 2000. This is their second convention. They're trying to present one view and one face on the party to the people, and they're trying to keep the focus on those who frankly have no influence in Washington, with all due respect. They're not running the House, Tom DeLay is. They're not running the Senate. The

Republican Senate caucus largely driven by the most extreme members are unfortunately calling the shots, and the White House is.

MR. RUSSERT: Bill Frist extreme?

SEN. **CLINTON:** No, but he's pushed, though, by his caucus all the time, you know. You can go and look at the decisions that are made, and it's very frustrating, I think, for the majority of us on both sides of the aisle. But the point is that the people who are really running the country under this president are not going to be highlighted in this convention. And we've gone through this. You know, this is the president who said, "Hey, I want to be a compassionate conservative." He's been neither. "I want to be a uniter, not a divider." He's been, in my view, so divisive, and it's been so painful because following 9/11, there was such a chance for everybody to be united and to work together and to, you know, set goals together, and that has not proven to be the case. And so there's a lot that is going to really affect the lives of people, and I think we should be talking about, you know, jobs and health care and education and all the other things that really matter.

MR. RUSSERT: You heard Mayor Giuliani, however. The vast majority of delegates in Boston oppose the war in Iraq, and yet John Kerry, John Edwards, you, all voted to authorize the president to go to war. So there always is that inconsistency between delegates and people who speak to the convention.

SEN. **CLINTON:** Well--but if you look at the platform of the Democratic Party, we take a very tough stance on national defense. You know, I get my back up a little bit when Republicans talk about how they own national defense. The best I recall, you know, it was Democratic presidents who led and won us the major wars of this century--or the last century. But what really bothers me is that any president is going to do what he believes is right and in the national security interest of America. You know, all this talk about this president and how consistent and strong he is, well, you know, if you're consistent and wrong, and you're leading your country in the wrong direction, I don't think that's much of a selling point.

On point after point, this president has been wrong. He said that he would cut taxes dramatically and increase revenues. It doesn't add up in the arithmetic and it doesn't make any sense as a policy. He said that he would, you know, try to have a quick victory in Iraq, and then we'd democratize Iraq. He had to admit that it was a miscalculation. So whether we're talking about important domestic issues or critical life-and-death issues abroad, this president may be consistent, I'll give him that, but he's been consistently wrong and he's put our country on the wrong track.

MR. RUSSERT: Your husband signed the Defense of Marriage Act which said that, "'marriage' means only a legal union between one man and one woman as husband and wife." Do you support that?

SEN. **CLINTON:** I do, and I have said repeatedly that, you know, I do not support gay marriage but I support civil unions and I support the right of states to make this decision. This Republican platform even says there shouldn't be any benefits for people who are in committed relationships. I find that appalling. You know, there are so many people who are being unnecessarily hurt and demonized by this very political, partisan campaign that's being run on this issue and then the platform takes it even a step further.

MR. RUSSERT: But the Defense of Marriage Act would not allow one state to recognize gay marriage in another state.

SEN. **CLINTON:** Right. But ind...

MR. RUSSERT: You agree with that?

SEN. **CLINTON:** Yes. And individual states would then determine, you know, what they want to do on their own, but there's nothing in the so-called DOMA act that would prohibit the city of New York, as we have already done, or any other state, as others have done, providing

benefits, inheritance benefits, hospital visitation. The Republican platform, Tim, basically tries to outlaw that.

MR. RUSSERT: The Democrats have been silent about guns. When you ran in 2000 for the Senate, you said there should be legislation which licenses gun owners. Do you still agree with that, support that?

SEN. **CLINTON:** Well, here's what I'm most concerned about right now is the assault weapons ban is slated to expire in September. The president has said he would sign it if it was sent to him and he's not lifted a finger to enable it to be sent. So here's where we are. He's taking money off the streets that have funded police, including some of the New York police officers who put their lives at risk on September 11. We, I think, have about 700 or so left that are funded by the so-called COPS program, and he's willing to let assault weapons come back on the streets. That is a recipe for disaster. It's also an open invitation for terrorists, who have, in some of their training manuals, pointed out how easy it is to get weapons in our country.

We're living in a different world, you know, and I think we have to be smarter about how we do it. I recognize the political realities, but if assault weapons come back on the streets starting in September and we start having some of these egregious, horrible situations that we had before the assault weapons ban was passed, I think there's going to be a real outcry from the American public and I think the responsibility rests solely with the president.

MR. RUSSERT: But in 2000, Senator, you said, "I stand in support of a commonsense legislation to license everyone who wishes to purchase a gun and believe that every new handgun or sale or transfer should be registered in a national registry." You still support that?

SEN. **CLINTON:** You know, Tim, I said that in part because what we do in New York is license. And you know what? There are a lot of folks in New York who have a lot of guns. Nobody's missed a single day hunting or target shooting or collecting. You know, I understand the political realities and we have to obviously deal with that. I support the Second Amendment, but I also think that when it comes to guns ending up in the hands of criminals, terrorists, people who are unfortunately mentally unbalanced, you know, we ought to be smart about this. The safety of the majority of people who are going about their daily business should be taken into account.

MR. RUSSERT: The NBC News and Wall Street Journal does polling. We asked Republicans about Democrats. The intensity is extraordinary. Which Democrat do you most dislike? You won. Here it is.

SEN. **CLINTON:** Yeah. What do you know?

MR. RUSSERT: Hillary Clinton, 24 percent; Bill Clinton, 19 percent; Ted Kennedy, 19 percent; Jesse Jackson, 11 percent; Al Gore, 7 percent; John Kerry just 5 percent. Why? Why the intense dislike for Hillary Clinton amongst Republicans?

SEN. **CLINTON:** Well, I think a lot of people, frankly, have never really gotten to know me or had any direct contact with me. You know, there was a lot of that intensity when I started in New York and there still is some, but it has diminished as people have seen what I really stand for, what I really fight for, what I really care about. You know, I think it's just a question of time. But on the other hand, I do stand up and say what I believe and I do fight back. And I guess they would prefer that everybody, you know, just basically allow them to call the shots. I don't think that's good for the country. You know, if you've got an administration and a Congress and increasingly a judiciary all under control of both one party and in, frankly, the right wing of that party, I think that's a recipe for abuse of power and for a lot of bad things happening, which is one of the reasons I feel so strongly about electing John Kerry.

MR. RUSSERT: Will you run for re-election in 2006?

SEN. **CLINTON:** I intend to. I'm having a great time being a senator from New York. You know what a terrific job it is.

MR. RUSSERT: I've covered a lot of them and worked for one. The Gridiron dinner in Washington, Rudy Giuliani spoke and you spoke. It's a night of humor and Rudy Giuliani had some fun. He concluded his speech this way. "...everyone knows that this November, when all is said and done - behind the sanctity of the voting booth curtain - we're both going to be voting for the same person:" and he said, "George W. Bush."

SEN. **CLINTON:** Well, you know, I would hope we're both voting for John Kerry. You know, I certainly think that on many important issues, he agrees more with John Kerry than with the nominee of his party.

MR. RUSSERT: But if George Bush wins, you're on your way to 2008, the presidential nomination for the Democratic Party.

SEN. **CLINTON:** You know, Tim, this is a subject that I am absolutely unambiguous about. There is no doubt in my mind that four more years of this administration would be a disaster for my country, a disaster for New York. You know, having a Democratic president, hopefully having a Democratic Senate, maybe a House, would be so good for New York. It would also be good for the issues that I think are important to the future.

You know, suppose you are a Republican who says your two most important issues are national defense and the economy. I think we're heading in the wrong direction on both. I give no ground to anyone on national defense. I believe we have to be smart about what we're doing. Did we have to divert attention, resources and personnel from Afghanistan, where we still haven't found bin Laden? That's an open question and one that should be debated.

Here at home, you think this economy is producing jobs? Well, then I don't think you're following what's really going on in people's lives. So I don't think we can afford four more years of George W. Bush, and I frankly think that, you know, being a senator with John Kerry in the White House would be one of the great privileges of my life.

MR. RUSSERT: But if John Kerry doesn't happen to win, you would never allow the Republicans to have another four years in 2008?

SEN. **CLINTON:** Well, you know, I'm doing everything I can right now to avoid them having another four years in 2004.

MR. RUSSERT: So the door is open?

SEN. **CLINTON:** No. Now, Tim, you're so good! You're very good! But let's take one election at a time. And this election in 2004 is going to determine the next four years. I hope I'll be in 2008 working for the re-election of John Kerry and John Edwards.

MR. RUSSERT: We'll be watching. Senator Hillary Clinton, thank you for joining us.

SEN. **CLINTON:** Thank you.

MR. RUSSERT: Coming next, Bush vs. Kerry, just 65 days to go. Insights and analysis from NBC's Tom Brokaw, who has covered every convention since 1968. He's next.

(Announcements)

"Anderson Cooper 360," CNN, 9/3/2004

CLINTON: I wanted to report to you that my husband is doing very well. He's in great humor. He's beating all of us at cards and the rest of the games we're playing.

He will be having surgery early in the week. There will be information after surgery from the medical staff. There will not be any further information between now and then.

I also particularly want to thank everyone who has been sending us their best wishes. One of the ways that you can get that information to him is by posting a note to him or a letter of concern on the Web site clintonfoundation.org, because it will get to him, and he's extremely grateful for the outpouring of concern and prayer and support from around our country and indeed around the world.

I'm just so pleased that he's in such good spirits, and obviously we're in one of the great hospitals in the world with superb medical staff. He had excellent care at the Westchester Medical Center with our doctors there. And he's going to be fine, and he will be back in fighting form before, really, very long after the surgery and the period of necessary recovery passes.

So I'm just here to express his, you know, gratitude and real appreciation for all of the incredible expressions of positive feelings and concern that we've already received in the last hours, and to thank all of you for being here, and to give you the weekend off. So enjoy Labor Day weekend. This is not how we expected to be spending our Labor Day weekend, but it will be fine. We know that. We're in very good hands.

And we're delighted we have good health insurance. That makes a big difference, and I hope someday everybody will be able to say the same thing.

Thank you all very much.

U.S. REPRESENTATIVE CHRISTOPHER SMITH (R-NJ) HOLDS HEARING ON TRAFFICKING IN PERSONS, 9/21/2004

CLINTON: Well, Mr. Chairman, I want to thank you and Chairman Smith for holding this important joint issue forum on this critical matter.

I have followed and been involved in this for a number of years.

CLINTON: And I'm very pleased that the work started in the Clinton administration, has been carried on and furthered in the Bush administration. The more we work on this, I think the more we realize how difficult a problem it is and how much needs to be done.

And this particular issue forum, focusing on the role that our armed services can play, our allies, in a united way to take on not only the scourge of trafficking, but the companion scourge of prostitution which feeds the trafficking, is a very critical agenda item and one that I'm delighted that our Department of Defense and our military leadership and the very able leadership of Ambassador Miller are bringing to public light. And I hope that this joint effort will lead to even further action.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman. And I want to thank all of the witnesses for excellent testimony, and even more for the commitment that you bring to this issue, and particularly for the military, its commitment as exemplified by General LaPorte, to implement the zero-tolerance policy.

With respect to the zero tolerance policy, and perhaps this is best addressed to Secretary Abell: Are the forces based here in the United States receiving the same kind of training and education with respect to trafficking and prostitution?

CLINTON: And I ask that because there are a number of instances where it appears that women and girls are at least engaged in prostitution, and in a number of instances apparently trafficked into prostitution around some of our bases here in our own country.

So is this part of the zero-tolerance outreach, Secretary Abell?

ABELL: Yes, ma'am. The training will be universal. It will be as part of their initial entry into the service. It will also be reinforced pre-deployment for those who are leaving the United States, going overseas.

It is a two-pronged approach, one for service chiefs, who are the force providers, who are charged to provide a ready trained force; and then, part two, for the combatant commanders, the theater commanders, like General LaPorte, to adapt it to their theater when they get there. And the Uniform Code of Military Justice applies without regard to geography.

CLINTON: And will there be increased cooperation between our military leadership on these bases and civilian authorities with respect to criminal prosecution of houses of prostitution and other rings of prostitutes?

ABELL: Our commanders, whether overseas or in the United States, do and will cooperate with their local law enforcement agencies. They share intelligence, and maybe less formally than intelligence, indicators that the military members, the civilian component of the Department of Defense have observed and reported.

CLINTON: Additionally, this past July and August there were press reports indicating that subcontractors on DOD contracts in Iraq may have kept Indian laborers in debt bondage. This is, obviously, a serious charge and suggests that trafficking for forced labor is not a hypothetical situation.

The secretary of defense's memo of September 16th raises the issue of forced labor trafficking and for the first time really addresses the problems associated with involuntary servitude and debt bondage.

CLINTON: How has DOD and the State Department, Ambassador Miller, responded to the recent allegations that subcontractors on DOD contracts in Iraq may have kept laborers in debt bondage? And what steps are you taking to try to take action against these contractors to perhaps prevent them from either continuing the existing contracts or obtaining new contracts?

And finally, to the inspector general, will you be considering labor trafficking and debt bondage issues as well as sex trafficking in your inspection process?

ABELL: Let me start, please. The Army is reviewing those contracts and the subcontractors to determine whether there's actually debt bondage there. And as I said before, we're pursuing at the departmental level language that would be an enabling tool for the contracting officers to be able to disbar and hold contractors both at the corporate level and at the individual level accountable and responsible for those actions.

MILLER: I think Secretary Abell has answered what the Defense Department is doing.

At the time of that allegation, we did go through our embassy in India to try to see if there was factual support. We were not successful in verifying it. This doesn't mean, however, that there is not this threat. And clearly forced labor is a major factor in any post-conflict situation. It's a major component of slavery throughout the world.

It's certainly a factor in the Middle East. Whether that particular allegation is correct or not, there's all sorts of use of forced labor in Middle Eastern countries, a lot of that forced labor coming from Eurasia, coming from the Indian subcontinent. It is a major problem. And we are pushing, through our report, we are trying to report the governments in the region to be more aggressive in apprehending and correcting the situation.

MILLER: And we're pushing the governments where the people are coming from. They have a responsibility in terms of when the people go out of the country and the whole visa process. So it's a major issue.

SCHMITZ: You asked if we will be considering the labor trafficking and debt bondage in our activities. Yes. In fact, when I found out about the Indian allegation, I immediately put on my oversight hat. And we'll follow up if there is any DOD nexus there to make sure that we are turning every stone.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON GLOBAL POSTURE REVIEW, 9/23/2004

CLINTON: Thank you, Mr. Chairman.

Mr. Secretary, currently in the conference committee on the defense authorization bill there is a provision concerning the opportunity for Guard and Reserve members to access TRICARE in order to have health insurance. We learned that about 20 percent of our Guard and Reserve members do not have health insurance.

Senator Graham and I, along with Senator Daschle and others, introduced this legislation. We were successful in passing it in the Senate. We continue to be told that the Defense Department opposes it.

Could you explain your opposition to what I see as a critical part of ensuring that the Guard and Reserve members who are being called up on a continuing basis would have, along with their families, access to health insurance where they don't currently have it?

RUMSFELD: I'd like to ask General Myers, who's up to speed on this, to comment on it. But one of the things I've discussed with Dr. Chu, the head of the Department of Defense Personnel and Readiness Office, and with the chairman, is what I believe to be the need for us to look on a macro basis at how we manage our force -- the active force, the Guard and the Reserve.

RUMSFELD: What's taken place over recent years is that for a variety of reasons, incremental benefits have been added, in large measure, to the Guard and the Reserve and the retired force, less so to the active force. And the cost of each person has been incrementally changing. And we're getting to the point where the cost of Guard and Reserve relative to the active is something that needs to be addressed so that we can

manage it in a way that's proper from the standpoint of the taxpayers and appropriate from the standpoint of the people we need to volunteer to serve in the armed forces.

And rather than -- my personal view is -- and as I say, I want Dick to answer this, but I think that what happens each time there's a new proposal here, then it's passed, and then there's another proposal that comes along to create some sort of equity across the board. And the imbalance that's evolving is something that I know this committee needs to address, just as we need to address. And we want to do that together.

Dick, do you want to respond precisely on this point?

MYERS: Precise, I don't know. But Senator Clinton, I can respond. I think the Joint Chiefs of Staff are worried about a couple of things.

One is cost. This will not be cheap. And health care costs, as we know, had a history of going up in a way that is almost unpredictable.

There's an equity issue that's brought up as well. And the equity issue is, "Gee, I'm serving active duty. I serve 365 days a year. I get health care for me and my family. Somebody that serves part time gets the same health care benefit," which is one of the better and bigger benefits that the United States military gets. So that is brought up from time to time.

Nobody is saying we don't need to change the way we provide health care to the reserve component. We found that up out in these massive call-ups that indeed many reservists are not ready for active duty. And any proposal that would ensure that reservists, on an annual basis, get a physical paid for by the United States government, would be a very good thing. Because we would then know what kind of force we have out there, and we wouldn't have to reject people as they show up at the mobilization station, because they're not healthy.

MYERS: My understanding is, DOD has a proposal, a counterproposal, that would put in place another program to test for a while. And I think it would be my view that we ought to proceed fairly slowly here, mainly due to the cost. It's not an issue of providing the right benefits to the reserve component, but it's a huge cost issue.

CLINTON: Well, I know that it's a huge cost issue, but we've heard a lot of discussion today about capability and about needing to equip our men and women in uniform. And I for one feel very strongly that it's clear we're going to continue to rely on the Guard and Reserve, and when you have 20 percent without health insurance and then, I guess not coincidentally, you have 20 percent who are found to be unready when they are activated, that's a cost. And it's a readiness issue.

So we're going to continue to press our point, because we think that the best investment we can make is in these men and women that we are sending out. And given the way transformation is proceeding, and given the pressures on the existing force, it certainly seems to me that it's no longer fair to exclude, if not fail to help, those who are in the Guard and Reserve.

Secretary Rumsfeld, over the weekend, I'm sure you saw because there was a lot of publicity, about a number of very distinguished Republican senators, including Senators Lugar, Hagel, McCain, Graham, and others, raising very serious questions about our status in Iraq, using strong language.

Senator Lugar talking about incompetence in this administration; the lack of planning is apparent.

Senator Hagel referencing his belief that, no, we're not winning and how did we ever get into this situation?

And when you look at the statements that have been made in the past by you and others in the administration, it is very difficult to track the predictions and the expectations that were

presented to this committee, to others in Congress, and certainly to the American people, with where we are today.

We now know from books that have been written with the full cooperation of the administration that shortly after 9/11, war plans were begun with respect to Iraq. That was not information shared with the Congress nor with the American people. In fact, as late as August of 2002, the administration was still saying there were absolutely no plans to go into Iraq. And we know what happened then.

In a recent article reporting on the work of the Defense Service Board and their concerns about our ability to maintain ongoing stability operations, there is a paragraph that refers to a widely reported phone call in which William Luti, a senior Pentagon policy official, hinted with congressional aides from both parties that a second Bush administration may carry its preemptive war strategy to five or six other nations beyond the current Axis of Evil.

CLINTON: Now, Mr. Secretary, I respect and appreciate your long service to this country. But if there are such plans, if there are such discussions, don't you believe that the Congress and the American people ought to be informed?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQI WEAPONS OF MASS DESTRUCTION, 10/6/2004

CLINTON: I'd prefer to go now, if I could.

SESSIONS: Good. You're recognized.

CLINTON: Thank you very much.

And, Mr. Duelfer and General, thank you both for your service. And please express our appreciation to your predecessors and all who serve in the Iraq Survey Group. We have a deep understanding, based on the work that you've done, of issues that are quite difficult. And I thank you for that.

Mr. Duelfer, when was your report finished?

DUELFER: Well, when it was in the printer, which was probably two or three days ago -- I mean, it's dated the 30th, but, I mean, you know, the printing process -- I think the last volume of it actually trickled off in, you know, the couple days after the...

CLINTON: And who have you, or anyone on your behalf, briefed with respect to this report?

DUELFER: Briefed?

CLINTON: Or discussed, presented the report?

DUELFER: Well, for my part, I mean, I've talked to, you know, people as this has progressed, you know, including up here. But this is, you know -- earlier this morning the SSCI. I've had meetings, you know, with various people saying, "Where are things coming out? Where are they going along?"

But in terms of the final report, it hasn't been briefed anywhere other than to Congress right now.

CLINTON: Have you had discussions with anyone at the Pentagon over your findings?

DUELFER: I haven't, no.

CLINTON: Has anyone, General, on your staff or anyone on behalf of the Iraq Survey Group briefed the report to anyone in the Pentagon?

MCMENAMIN: No, ma'am.

CLINTON: Have there been any briefings or any discussions of any kind, broadly construed, with anyone in the White House or the National Security Council?

DUELFER: I've had discussions with, you know, a staffer over there.

I mean, let me be careful that. The report has been around and circulated for declassification purposes. A lot of people had to look at it, you know, for force protection reasons and for other issues, to make sure it was proper that it all go out publicly.

CLINTON: So the report has been in circulation within the government?

DUELFER: The report has been in the intelligence community -- and, frankly, it's been all over town -- in bits and pieces while people went through it to see if there was, you know, material in it that should not be out in the public domain.

CLINTON: Now, Mr. Duelfer, with respect to the ongoing dispute about aluminum tubes, is it your testimony that finally that dispute has been put to rest insofar as it is possible to determine the use for the tubes?

DUELFER: I have the advantage of being able to just make a call on this, because the report goes out under my name and, you know, this aluminum tube issue to me is just -- to me it's rockets.

CLINTON: It's rockets.

So if the national security adviser on Sunday said of the tubes, quote, "People are still debating this," unquote, is it fair to assume that she's not been briefed or not aware of the findings of the Iraq Survey Group?

DUELFER: Well, there may be people debating it in various places but, you know, they debated it in front of me and I came to a conclusion and that's what I put in this report.

Again, this is not an intelligence community report. I have, you know, the great pleasure of not having to go through an interagency process on this.

CLINTON: But you are representing the best judgment of a thousand people that filtered information and evidence up to you.

Let me ask, Mr. Duelfer, did you find any evidence that Saddam Hussein either passed weapons or materials or information to terrorist networks or that there was a real risk of him doing so?

DUELFER: We found no evidence that he was passing to terrorist groups WMD material, but that really wasn't a strong focus for our work.

CLINTON: So there is no evidence, in your report, that there was such a risk of him doing so?

DUELFER: We didn't address that.

CLINTON: And is there any other source of information, other than the work of the Iraq Survey Group, that would present evidence sufficient for a statement such as that to be made that you're aware of?

DUELFER: I'm unaware of assessments on that. But I'm not sure I would be aware.

CLINTON: So if, this morning, President Bush said, and I quote, "There was a risk, a real risk, that Saddam Hussein would pass weapons or materials or information to terrorist networks," unquote, he could not be relying upon your exhaustive report for that statement, could he?

DUELFER: Well, I mean, if, you know, you had -- the talent and the knowledge existed in Iraq. So what Saddam did with it you, again, have to evaluate.

CLINTON: But he's not talking about passing on, you know, talent. I'm talking about weapons materials information.

DUELFER: The report describes what we found on the ground which was, you know, no stocks. There was a decision to sustain, to the extent they could, the intellectual capital. But, you know, I'm trying to say exactly what we've said here.

CLINTON: And I appreciate that, because I think you've done a great service to your country, Mr. Duelfer. Because, you know, I sometimes fear that we're trying to turn Washington, at least, into an evidence-free zone. So the introduction of evidence and facts, upon which reasonable people I hope can reach conclusions, is a great service.

We've seen too little of that. So I am very appreciative of the professional way in which you have proceeded in the fulfillment of your function.

Let me also ask you, Mr. Duelfer, as an experienced inspector, the conclusions you reached about the decay of the attempt to obtain nuclear weapons is of great interest, I think, because we now are concerned about North Korea, about Iran. We, obviously, were surprised by both India and Pakistan. Those states and perhaps even non-state actors who are attempting to obtain nuclear weapons is the greatest threat we confront. And that was certainly the case, you know, before Iraq and now, indeed, after.

Do you have any advice about, you know, the best way for the United States to try to degrade and decay such capacity, so that we can be assured that proliferation will not pose a threat to us or to others around the world?

DUELFER: Well, the decay that occurred in the Iraqi program was a function of the sanctions and, you know, the extraordinary limits put on this regime.

We looked at some of the activities of these scientists, in areas where we thought they might have been serving as a surrogate for nuclear-related activities. For example, there was a development program of a rail gun, which is an electromagnet -- it's like a magnetic device for firing projectiles. We thought that that might be a surrogate for development of nuclear expertise. We looked at a series of projects like that, but we found that it was inconclusive.

Drawing conclusions that would apply to a country like North Korea -- it's difficult, frankly, Senator, because they are so different. Iraq invaded another country and lost. It was subject to an extraordinary set of U.N. regulations. It fought a war with Iran. It had enormous natural resources. It has a population which is energetic; they're great builders.

It's in a different region where, you know, many would expect just objectively to see, you know, Iraq as a country and its people really should be the hub. But, by virtue of the leadership, you know the difference between what is in Iraq and what could be is huge.

I don't know. It's difficult for me to draw lessons for North Korea, but it's a very good question. Maybe others smarter than I can do it.

CLINTON: Thank you so much, both of you.

"CBS News Special Report," CBS, 10/8/2004

Also joining us now from the debate hall in St. Louis is the junior senator from the state of New York, the former first lady of the United States of America, Democrat **Hillary Rodham Clinton**.

Senator, thanks for being with us.

Before we ask you how Senator Kerry did, quickly, how is President Clinton doing after his heart surgery?

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Oh, thank you, Dan. He is really doing well. Every day he is getting stronger and feeling better and following the doctors' orders. And I thank you for asking about him and all the people who've sent their best wishes and their prayers. It's really been an overwhelming show of support for him.

RATHER: Now let's talk about tonight. The Republicans say that President Bush has what the military calls 'command presence' and that Senator John Kerry does not. And already they're beginning to say--you saw it again tonight--President Bush has that command presence; John Kerry does not. Tell me why any voter should not agree with that.

Sen. **CLINTON**: Well, I think voters are very smart, Dan, and I think they saw tonight that, first of all, John Kerry was superb this evening. And he has the momentum from the first debate when he clearly demonstrated that he could be the commander in chief that America desperately needs. And tonight he not only reinforced that, but he demonstrated clearly that he has a command of domestic issues, and, equally importantly, he plans about what to do to get the economy producing jobs again and to deal with the rising health-care costs and to fully fund our educational programs.

And what was so striking to me is that, you know, the president couldn't think of anything he had done wrong in the last three and a half years, and he didn't have any plan about how he was going to do anything right for the next four years. The contrast could not have been clearer.

RATHER: Senator Clinton, what would you say--sorry, didn't mean to step on your last line. I apologize.

Sen. **CLINTON**: Yes. That's all right, Dan.

RATHER: What did think was President Bush's best moment in this hour and a half tonight?

Sen. **CLINTON**: Dan, I have to tell you, I was disappointed in the president's performance tonight. I knew that he--I mean, he had a lot of energy. He was certainly more energetic than he'd been in the first debate. But time and time again he came up with the same lines, the same story that he's been telling the American people for years. You know, it doesn't change. This is a person and a president who is consistent, I'll give him that, but he's been consistently wrong, consistently wrong on economic policy and on foreign policy and on security policy, on homeland security.

So I think that the American public, particularly any undecided voters, would be scratching their heads saying, 'Well, what is it he will do differently?' Because with my own eyes, I can see that things are not proceeding as well as they should; therefore, we need new leadership. And I think John Kerry was very strong in presenting the plans that he would bring to the Oval Office.

RATHER: Senator **Hillary Rodham Clinton** in St. Louis, give our best to President Clinton. Thank you very much.

Sen. **CLINTON**: Thank you, Dan. I will.

"Larry King Live," CNN, 10/8/2004

We now go to the debate hall, and we check in with Senator **Hillary Rodham Clinton**, Democrat of New York, the former first lady, looking very well tonight. Before we ask about anything else, how is President Clinton doing?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Oh, Larry, he's doing so well. Every day, he gets stronger and he walks further and he feels better. I know you can relate to that. And I want to thank you for your many kind comments. He really enjoyed talking with you that night from the hospital. And we certainly have learned a lot about heart disease, and I hope that we'll be able to join with you in doing more to educate people about what they can do to protect themselves and how to deal with this disease.

KING: That would be wonderful. When is the president going to go out and campaign, or is he?

CLINTON: You know, Larry, he goes back to the doctor in about 10 days for his routine check-up, his six-week check-up, and we're really going to be guided by their advice. And I'm so pleased that Bill has really made it clear he's going to do what the doctors advise, and he doesn't want to rush -- he wants to be as fully recovered as possible. He's obviously on the phone. He's offering advice. He's talking to the campaign and to supporters around the country.

And he -- I think that, certainly, the debate performance tonight, just like the one last Thursday, will speed his recovery because Senator Kerry did so well, and it really -- I know because I watched it with him on Thursday night at home. He was so excited and so delighted at the clear contrast and the strong presence that Senator Kerry presented. And I just spoke with him here, and he felt that, you know, Senator Kerry hit it out of the park tonight.

KING: The president felt that?

CLINTON: Yes. Yes. I mean, you know, last Thursday, we saw Senator Kerry as a strong commander-in-chief. Tonight we saw that he has an equal command over domestic issues. He came forward with the plans that he has been talking about and presenting to the American people now during his campaign about how to get the economy producing jobs, how to deal with health care costs, how to make sure the education, educational needs of our country are met and all of the issues that these very impressive questioners asked him today in St. Louis.

KING: All right, do you -- how do you assess the president tonight? Everyone said he was weaker -- was he stronger tonight than last week?

CLINTON: Well, Larry, I think the president had a real opportunity tonight. He obviously was energized, but that didn't translate into plans for the future. He couldn't, again, think of anything he'd done wrong in his three-and-a-half years. He didn't present any alternatives about how he would proceed differently in the next four years. He didn't give the American people any reason to believe that there would be the kind of change that everybody knows we need in this country.

We've got to have a different approach to the world. We've got to have a different formula for being strong at home and creating economic prosperity. I mean, that's as clear as it can be. And the president, you know, tonight failed to really give the voters who were watching, trying to make up their minds, any reason to believe that he would be able to offer anything new.

In contrast, Senator Kerry came forward with the detailed plans that he's been working on. He presented them forcefully. He's obviously so knowledgeable about what needs to be done. He's going to hit the ground running when he's elected.

KING: How do you assess what's going to happen on November 2? What's your read on this election?

CLINTON: Well, Larry, I've always thought this was going to be a close election. I'm confident that Senator Kerry's going to win, and he's going to win because he's done a terrific job in communicating effectively. Increasingly, the plans that he's been working on are getting through to people. He's connecting with people. I don't know how anyone could watch this debate tonight and not see what I know about John Kerry, which is that he gets it, he understands what people are going through. He knows that he has to fight for the middle class because, certainly, the president has abandoned the middle class.

I mean, you just can't look at the statistics -- we've had a -- you know, a dismal job creation record. We've had health care costs exploding. We've had more people losing insurance, more people falling into poverty, tuition costs going up. I mean, you just list the things that my constituents talk to me about, and I think it's -- on election day, people are going to say, Look, we've got to have a change. You know, we can't take four more years of the wrong direction from this president.

KING: Will it be a very close electoral vote?

CLINTON: I think that -- based on the recent information, I think that it will be a close but significant win for Senator Kerry. I think that a lot of the so-called battleground states are beginning to break his way. You know, that first debate gave most Americans their first chance to see John Kerry unfiltered. You know, no more attack ads from people with axes to grind. No more campaign spin from the other side.

You know, what they got to see the two men, not in a partisan setting, like a convention, speaking to the faithful, but standing their on the stage, going head to head. And guess what? The American people saw in John Kerry a person that they can trust to be their commander-in-chief and a person with the understanding of what's going on in the world, as well as here at home, and with the plans to move us in a new direction.

And all the good feeling that came out of that first debate I think was multiplied tonight. John Kerry was the clear winner. He demonstrated a mastery of domestic issues, and the president was, you know, pretty much left to just say the same things over and over again.

KING: Good seeing you, Senator Clinton. Give our best to the president.

CLINTON: I will, Larry. Thank you so much.

KING: Senator **Hillary Rodham Clinton**, the junior senator from the state of New York.

More panel, more discussion ahead on this special edition of LARRY KING LIVE. By the way, next Wednesday night, we'll be on again at 11:00, except we'll be in Tempe, Arizona, at Arizona State University, doing this program live from the site of the final debate.

We'll be right back.

"Decision 2004: The Presidential Debates," NBC, 10/8/2004

There's been a lot of discussion, obviously, this week about the report, that there were no weapons of mass destruction. It was--took up almost the first third of this debate alone. I remember vividly, however, your husband, as President Clinton saying right after major combat came to an end, 'We always believed there were weapons of mass destruction there.' You voted for the authority of the president to go to war, voted for the \$87 billion as well. You saw that intelligence. So isn't that blame kind of spread across both parties?

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Well, I think what John Kerry said tonight, Tom, really summed it up. He was as good on foreign policy again tonight as he was in the first debate, and he was fabulous on domestic policy. And when he said, 'Look, the military did a superb job, the military won the war. The president didn't win the peace.' The difference has been from the very beginning that many of us believed that there were weapons of mass destruction. Many of us saw Saddam Hussein as a threat. But many of us also said, 'Wait a minute, we're not going about this the right way.' And no one has been stronger on that than John Kerry, consistently now, month after month. And yesterday with the release of the inspector's report and the president's continuing refusal to admit what everybody in the world now knows, that he did rush to war, he didn't give the inspectors a chance, he didn't use the authority which I and others gave him to really play the card of, you know, pressured, coercive diplomacy. And I think, you know, Senator Kerry made it very clear he has a plan to deal with Iraq. The president just has more of the same.

BROKAW: But Senator Kerry's plan has opened a question for a lot of people because Jacques Chirac of France, Gerhard Schroeder of Germany, they have all said 'No, no, we're not going there.' And without a specific plan that is practical, if John Kerry is elected president, what will that say to people in Iraq who are trying to change the equation on the ground?

Sen. **CLINTON**: I think the plan that John Kerry has put forth is much more detailed than that. I mean, he's talked very specifically about, you know, getting assistance and doing more training. In fact, there was an offer made of that, which was not really followed up on by the administration. He's talked about enlisting more help in the reconstruction efforts. In fact, this administration slammed the door on it and said, 'Wait a minute, you weren't with us, we're not going to have you at the table to do that.' On point after point, what comes across very clearly, and what Senator Kerry once again stressed tonight in a masterful presentation, was that he has a plan, and more importantly, he has the credibility to have the people of Iraq know that we're really going to stick with them and be on their side as they face the insurgents and the rest of the world to come to our aid in doing so.

BROKAW: When you watched this debate tonight, what did you think was President Bush's strongest moment, the one that unnerved you a little?

Sen. **CLINTON**: I have to confess I didn't have any of those moments. I thought that the president just didn't have a plan for the future, didn't give us much of a sense of what he would do differently in the next four years and that John Kerry was, once again, just absolutely masterful, as good as I've ever seen him.

BROKAW: All right. Thanks very much, Senator Hillary Clinton.

Sen. **CLINTON**: Thank you.

"Primetime Live," ABC, 10/28/2004

DIANE SAWYER, ABC NEWS

(Off Camera) Good evening. I'm Diane Sawyer. And tonight, we bring you former President Bill Clinton and his wife, Senator **Hillary Rodham Clinton**. It is a new and very personal account of his heart disease, surgery, and the transforming lessons they both say they've learned. As you may have seen in recent days, the former President is much thinner than the Bill Clinton we knew, more than 15 pounds. And you'll see he's also very introspective about his close brush with a fatal heart attack. But we're going to begin tonight on the operating table. Because former President Clinton said he brought back a souvenir from that surgery ... haunting images he cannot get out of his head.

BILL **CLINTON**, 42ND U.S. PRESIDENT

I did have a lot of very profound and lasting kind of images, flashing through my mind, when I was going under the anesthesia. Images that clearly connoted death. And images that clearly connoted life.

DIANE SAWYER

(Off Camera) Are they images like ...

BILL **CLINTON**

I saw dark masks crushing, like death masks being crushed in series. And then, I'd see these great circles of light. And then, like, Hillary's picture or Chelsea's face would appear on the light. And then they'd fly off into the -distance. And other people that I knew and cared about. It was amazing. And I -it's the only thing I remember. I remember it very clearly. I don't remember whether it was going under or coming out or both. I just remember seeing it.

DIANE SAWYER

(Off Camera) Is there a prayer you most wanted to pray?

BILL **CLINTON**

Well, no, I did pray. But -I didn't exactly say, oh, God, give me another chance here. I figured I'd been given another chance.

DIANE SAWYER

(Voice Over) Another chance and he knew it. And only Bill Clinton would come out from under anesthesia, well, still working the crowd.

BILL **CLINTON**

I don't remember all this. But they say I was quite funny when I came out. I was giddy happy when I came out of the surgery. And I was waving at everybody, calling them by name in the operating room. Lord knows what I did and how embarrassing it is. A lot of other people know better than me.

DIANE SAWYER

(Off Camera) Campaigning?

BILL **CLINTON**

Yeah.

DIANE SAWYER

(Voice Over) And mostly, celebrating. If you wonder just how close he came, take a look at this picture. For the first time, you're seeing Bill Clinton's heart, as filmed in his angiogram. That area we highlighted is not just trouble, it's a heart attack waiting to happen. Perhaps only hours away.

DOCTOR CRAIG SMITH, SURGEON

There's not much blood flowing past this area.

DIANE SAWYER

(Voice Over) Dr. Craig Smith, President Clinton's surgeon and Dr. Alan Schwartz, President Clinton's cardiologist from New York Presbyterian Hospital.

DOCTOR CRAIG SMITH

The dye has been injected in the main coronary artery here.

DIANE SAWYER

(Voice Over) They show us how the blood in the arteries is proceeding normally here until it hits this part, where plaque buildup has almost entirely block blood flow.

DOCTOR CRAIG SMITH

That was his most critical obstruction.

BILL **CLINTON**

I must say I was surprised and the doctors were surprised when they did the angiogram that there was as much blockage as there was because I had been so active. I had over 90 percent blockage in two arteries. They were afraid I'd have a heart attack before I could have the surgery.

DIANE SAWYER

(Voice Over) So, in an instant, the President's family learned that the man they had regarded as indestructible was in a race to the operating room.

DIANE SAWYER

(Off Camera) What was Mrs. Clinton's first word to you?

BILL **CLINTON**

You mean when we found out about it? Oh, you know, she's a pretty stiff upper lip type. But I could tell she was upset about it. And I said, look, you know, we dodged a bullet here.

SENATOR HILLARY **CLINTON**, DEMOCRAT, NEW YORK

He was keeping up a really good front. You know, he was, "well, we dodged a big bullet. This is actually really good news." So, it was -typical Bill Clinton. It was, you know, we're going to be very positive about this. And meanwhile, I'm just dying on the inside. I'm so upset.

DIANE SAWYER

(Off Camera) Who had to tell Chelsea?

BILL **CLINTON**

Hillary called her.

DIANE SAWYER

(Off Camera) Was that hard, that first call with Chelsea?

SENATOR HILLARY **CLINTON**

It was hard. It was very hard. She was shocked because, you know, he had looked good.

BILL **CLINTON**

They both came. And they -the hospital was wonderful to us. And they both stayed in the hospital with me.

DIANE SAWYER

(Off Camera) You played games the night before.

BILL **CLINTON**

Oh, yeah. I did.

SENATOR HILLARY **CLINTON**

It was a really emotional, difficult period. But, you know, Bill wanted to play cards and play games and talk on the phone to his friends. And then, of course, have these long conversations with Senator Kerry about the campaign. You know, playing cards, playing boggle, this game he loves called upwards, which is a form of scrabble. You know, Chelsea and I would go off and sort of hug each other. And it was, you know, it was a little surreal because he was so sure -you know, Bill has -he's never been afraid of death at all.

BILL **CLINTON**

I wasn't frightened. But I think you know somewhere deep in your subconscious, that you know you're very close to your own mortality when they saw you open and flop your heart out, you know. I've already lived a year longer than my grandfather did, my maternal grandfather. My father died in his late 20s. My stepfather died at 58, the age I am now. And I know, you know, we're -it's -death is a part of life.

DIANE SAWYER

(Off Camera) What did you say, as you were heading in?

BILL **CLINTON**

I told them I loved them. And they were just there. I sort of prayed that it would come out all right. And prayed that if it didn't, that my family would be all right and my friends would be all right.

SENATOR HILLARY **CLINTON**

"It's going to be fine. I'm going to be fine." He just kept saying that over and over again.

DIANE SAWYER

(Off Camera) At any point, did the two of you stop and contemplate the possibility it might not be fine?

SENATOR HILLARY **CLINTON**

No. We really didn't. I mean, I thought about that. But I had a lot of confidence in the doctors. And, you know, I also still view him as indestructible, even after this operation. So, I never -I never allowed myself to think that.

DIANE SAWYER

(Off Camera) Was there something you wanted to make sure you said to him before he went in?

SENATOR HILLARY **CLINTON**

Oh, yes. I mean, we, you know, we got up really early before they came to take him away. And we spent some time together as a family. You know, we just told each other how much we loved each other. And that, you know, we were there for each other in every way.

ANNOUNCER

Up next, the first thing Mrs. Clinton saw when her husband came out of surgery.

ANNOUNCER

And later, the one pre-election video that will have everybody on both sides talking ... Eminem. When "Primetime Live" returns.

commercial break

ANNOUNCER

Diane Sawyer continues with former President Bill Clinton and his wife, Hillary Rodham Clinton.

BILL CLINTON

The number one thing I would say to people is, if you got a family history, you gotta, you know, be tested, tested, tested. And the only signals are not, you know, where your chest is hurting so bad you can hardly stand up and you're on the verge of a heart attack. There may be -it may be sustained shortness of breath or inability to do things you used to do, maybe enough. You just can't assume it's the aging process or something like that. I just missed it. That was my fault. I don't blame my doctors or anybody else. That was my fault. I was insufficiently vigilant.

DIANE SAWYER

(Voice Over) Former President Bill Clinton, who had serious heart disease, said he should have noticed something, perhaps as far back as 2001, just after he left the White House. He felt he was in top condition, but ...

BILL CLINTON

When I would go out to run, after a mile, I'd have to stop and walk 100 yards or 200 yards and get my breath. And then I could run again.

DIANE SAWYER

(Voice Over) Spring 2004, again, warnings but he ignored them and pushed through.

BILL CLINTON

I had several instances my chest felt tight when I was exercising. And because I could, you know, slow down and then resume that level without tightness recurring, I just assumed it was because I was exhausted and I was out of shape.

DIANE SAWYER

(Voice Over) By summer 2004 ...

BILL CLINTON

We have some very steep hills around here. And I'd take my dog for a walk and he'd pull me up these steep hills. And halfway up the hill, I'd have to stop and catch my breath, you know. And it was just ridiculous because I was in the best shape of my life, apparently.

DIANE SAWYER

(Voice Over) And we asked the doctors about a surprising fact, that the President had yearly stress tests. But those tests showed nothing.

DOCTOR ALLAN SCHWARTZ, CARDIOLOGIST

Stress tests are a screening test. And like all screening tests, they have false positive and false negative rates. It's going to have some situations where someone has a problem but the stress test looks fine.

DIANE SAWYER

(Voice Over) Not only that. The President says since his high cholesterol seemed to be down, he was reassured and ended the medication Zocor.

DIANE SAWYER

(Off Camera) Should the doctor have told you not to go off Zocor and was it your decision to do it?

BILL **CLINTON**

No. But to be fair to them, they used the latest standards for what cholesterol was. And my cholesterol was below that. Now, it's much lower now. I think it is, you know, I think that in the last -since I left the White House, maybe if I'd stayed on a lower-fat diet. You know, maybe if I had not eaten so many hamburgers and steaks, you know, which I love. Maybe if I, you know, had slightly less stress in my life. I worked as hard since I left office as I did when I was there. Maybe it would have been different.

SENATOR HILLARY **CLINTON**

Well, I have to say, he was really into, you know, the low-carb, high- protein diet. I didn't think it was healthy. But I know so many people who are doing that now. I would say, well, you know, you think you should have like a cheeseburger everyday for lunch? And, you know, steak as many times as you want? I remember we went for a walk with our dog, Shamus. And we were walking up this hill near our house. And he said, you know, I'm just so tired, I just -don't feel like I can do this. And I urged him to go see the doctor and see what the explanation could be. But he'd been working really hard on his book. Literally around the clock and hadn't been sleeping. It was allergy season. He always has a tougher time breathing during allergy season. And I, you know, I nagged him some. I told him I thought he really should go see somebody about it. But he was so convinced it was nothing. And, you know, now, I wish I had nagged more. But I'm not sure it would have made a difference.

DIANE SAWYER

(Voice Over) And then, August 2004, the incident that finally sent the former President to the doctor.

BILL **CLINTON**

I had a really severe tightness in my chest when I came home from my book tour on August 31st, in New Orleans. And I'd never had that before, unrelated to exercise.

DIANE SAWYER

(Voice Over) Days later, his wife and daughter are watching him, wheeled away to surgery.

DIANE SAWYER

(Off Camera) To watch that hospital bed roll away from you ...

SENATOR HILLARY **CLINTON**

Oh, I know.

DIANE SAWYER

(Off Camera) And know -not know what's on the other side of the doors.

SENATOR HILLARY **CLINTON**

Right. He said, don't let them put that funny hat on my head when they take me away. I don't want to -I don't wanna go into the operating room with that hat on. So, I talked to one of the nurses and said, can you put the hat on later, you know?

DIANE SAWYER

(Voice Over) The surgery would last four hours. For 73 minutes, his heart was stopped. He was on a heart/lung machine.

SENATOR HILLARY **CLINTON**

He looked so peaceful. He had -there wasn't a line in his face. He looked so rested. It looked like he had been in the deepest sleep he'd been since I've known him for 33 years.

DIANE SAWYER

(Off Camera) Were you aware of the vision he brought back as a souvenir in a way from whatever continent he was on, whatever land he visited when he was there?

SENATOR HILLARY **CLINTON**

I heard about people who have experiences like that, where they see darkness, and then they see light. And, you know, it was so moving to me. And he said it was so reassuring. He said, "I'd see the darkness and then I'd see you and Chelsea and I'd see the light." And, you know, it really meant so much to me.

DIANE SAWYER

(Voice Over) And remember when he worked the operating room?

SENATOR HILLARY **CLINTON**

Before that, we had been -I'd met him in Iceland. And then we had gone to -Ireland to see some of our friends, to make some speeches and to actually go golfing. So, he was waving. You know, he was really tired. We came out, he said, we had a nice time in Iceland, didn't we? Didn't you love Ireland? And he was so blissful. But those first few hours, particularly the time right after I got to see him, I will treasure forever because he just, you know, he kept holding Chelsea's and my hand. He kept telling us how much he loved us.

BILL **CLINTON**

I know that I must have been concerned about it because I was fairly quite happy when I woke up. I'll never get tired of living. But I think it's a great waste of time to sit around in morbid fear of the fate that we all have to share. So, you just have to -I think the most important thing is to keep your head in the game and to think about what you're doing at the moment.

ANNOUNCER

Up next, the two new jobs President Clinton would consider. What are they? When "Primetime Live" returns.

commercial break

DIANE SAWYER

(Off Camera) And now, more with Bill and Hillary Clinton. We conducted his interview at their house in Chappaqua, New York, which, as you'll see, has a few rooms in it designed to remind him of a White House he lived in some time ago.

DIANE SAWYER

(Voice Over) We're walking in the front door of the house where he lives in Chappaqua, New York. An old farmhouse rebuilt with rooms reminiscent of the White House. The solarium and the windows with all that light.

BILL **CLINTON**

And there's a back part that was added in 1989. But all this was farmland, all around here. This was originally, where you see that, this was an open porch.

DIANE SAWYER

(Off Camera) And the solarium-like room?

BILL **CLINTON**

That's my contribution to the house. That was a screened-in porch when I came here, shaped just like that. It was a screened-in porch. And it was no good half the year. It was too hot, too cold, too much pollen. So, we glassed it in. And that table is almost identical to the one we had in the solarium at the White House.

DIANE SAWYER

(Off Camera) You know, I'm surprised you can -you do your arm like this and I keep wanting to go, no.

BILL **CLINTON**

No, no, no. I can actually hold my arms behind my chest for the first time. But it's only in the last week I can do that. No, no. It's fine. It needs stretching.

DIANE SAWYER

(Voice Over) Stretching for me. And then ... there he is, stretching on the stage with John Kerry. Hard to believe just seven weeks since they wheeled him out of surgery.

BILL **CLINTON**

You know, I remember being a little sore. And I had all those tubes in me. You know, they stick all the tubes in you. When they pull the tubes out, that's one of the most bracing things in the world. You got these huge tubes in your chest. They just pull them out. It's like, you know, these snakes are slithering around inside you. It was pretty interesting.

DIANE SAWYER

(Off Camera) You have a pillow that says, "it only hurts when I laugh."

BILL **CLINTON**

Yeah, it kills you when you laugh and you talk -cough. When you sneeze, it's awful. So, they give you these little pillows to hug to your chest. You know, and you feel like you're about 4-years-old hugging your bear. But that was the most difficult part. And that and not knowing when I was going to lose mental clarity. When I'd just get tired, I said, look, I just can't talk anymore. I've got to go lie down or whatever.

DIANE SAWYER

(Off Camera) They do warn that everyone should be respectful afterwards of sometimes disorientation, depression.

BILL **CLINTON**

Some people have memory loss. I've heard all kinds of stories. I've talked to a friend who had some memory loss for a year afterward. And a week of depression. I talked to several people who felt periods of depression.

DIANE SAWYER

(Off Camera) You have had none?

BILL **CLINTON**

None of that. And I think -but I think it's because for many people, especially busy active people, it's the first time they ever come face-to-face with their own mortality. You know, I never been particularly morbid about death. I think it's because, you know, my father died before I was born.

DIANE SAWYER

(Off Camera) So, I understand Mrs. Clinton changed the telephone number on you here.

BILL **CLINTON**

Yeah, she was afraid I'd be on the phone too quick when I came home.

DIANE SAWYER

(Off Camera) And you knew your husband.

SENATOR HILLARY **CLINTON**

And I know my husband. And I know his multitude of friends.

DIANE SAWYER

(Off Camera) Did he say, "nobody's calling me"?

SENATOR HILLARY **CLINTON**

He did. At one point he said, jeez, nobody's called. And then, I 'fessed up. I said, well, we sort of made it possible for you to get some rest.

DIANE SAWYER

(Off Camera) Senator Clinton is a tough nurse?

BILL **CLINTON**

Yeah. She was -she was so afraid that I would just be living on the phone. So, we rerouted our phones to the office. You know, it was interesting, we got 100,000 e-mails, 10,000 letters and hundreds and hundreds of phone calls. And, as it turned out, she has nothing to fear because, number one, 'cause when she wasn't here, Chelsea was coming up and spending the night with me. 'Cause she, you know, works in New York. But in the first couple of weeks, I couldn't have done that. I was too tired.

DIANE SAWYER

(Off Camera) We read that for people who have been through what you've been through, every single thing they do, exercise, sex, lifestyle, becomes a calculation. So, when you see a Big Mac now, what does it say to you now?

BILL **CLINTON**

It's funny, I don't miss it. But, you know, I've got a wonderful little French restaurant down here in the town where -that stays open until midnight every night. You know, and I work late. So, I used to eat a lot of hamburgers there at 11:00 at night. So, now, I just eat salmon or tuna or something, you know. I just eat something else. And I don't think about it much. I don't -it's not a big deal. And you don't have to live like a monk. I mean, once in a while, every couple months, you can fall off the wagon, I guess. Although, I haven't yet. I don't want to take any chances.

DIANE SAWYER

(Off Camera) He says that he goes to the restaurant now and it's tuna and salmon.

SENATOR HILLARY **CLINTON**

Yeah.

DIANE SAWYER

(Off Camera) That's going to be hard, isn't it, down the road?

SENATOR HILLARY **CLINTON**

It is. It's gonna be very hard.

DOCTOR ALLAN SCHWARTZ

I'm sure there's some data to the contrary, but not a lot. I think it's okay to cheat once in a while.

DOCTOR CRAIG SMITH

He's really well along here.

DIANE SAWYER

(Voice Over) He says if anything his cholesterol these days is too low. And he started to work out with weights again. Though many people were stunned to see how thin he was when he headed out to campaign.

DIANE SAWYER

(Off Camera) Should he be doing this?

SENATOR HILLARY **CLINTON**

Well, I think he does look noticeably thinner.

DIANE SAWYER

(Off Camera) You weren't worried?

SENATOR HILLARY **CLINTON**

I just said, I just want to be sure. I just want you to tell me that you feel fine. He said, I really do. He said, I wouldn't do it if I didn't. And I believe that.

DIANE SAWYER

(Voice Over) So, what's next? He has a foundation combating AIDS around the world. But he expressed a strange nostalgia for that six weeks convalescence. Finally a chance to think, read.

BILL **CLINTON**

If you work like I have, all your life, having a period of enforced contemplation and rest is really good.

DIANE SAWYER

(Off Camera) Is politics so important?

BILL **CLINTON**

Not in the way that it used to be. I don't feel the passion about the game that I used to feel. But I feel, in a funny way, more passionately about the consequences of the decisions that people in office make that affect other people's lives. So, I feel kind of distant from the to and fro of the elections. And a lot of these things I see happening, I just shake my head and say, gosh, I did that for 20 years and I know, but it doesn't have much to do with how we're going to live when it's over. On the other hand, I think it matters profoundly. I thought, you know, you've been given an unknown but substantial amount of extra time. And you should give it back. So, that's what I'm going to try to do.

DIANE SAWYER

(Off Camera) The indestructible man you married is ...

SENATOR HILLARY **CLINTON**

Still indestructible.

BILL **CLINTON**

This is, believe it or not, really good for my heart. The thing that has really touched me, I think most of all, is all the letters from people telling me that they or their relatives have gone in to see their doctor, have gotten checkups, are trying to do something about this. That, to me, has been the most moving thing of all. I just hope some good can come out of this for other people. 'Cause a lot of good came out of it for me.

DIANE SAWYER

(Off Camera) A lot of good, he says, and a reminder of what he wrote at the end of his book. That preachers are always warning that someday we're all going home. And he says, I want to be ready. We'll be back.

ANNOUNCER

Up next, he'll provoke, he'll offend. But will Eminem bring out the first-time voter? When "Primetime Live" returns.

commercial break

DIANE SAWYER

Next week, I go behind bars. A 24-hour journey inside the secret world of a maximum security women's prison. Tough, teary.

INMATE, FEMALE

I just pray that every time I want to go buy drugs that I'll think back to this day. It sure isn't worth it.

DIANE SAWYER

A place where even grandmothers have killed.

INMATE

I'll never quit paying for it. I'll always have to pay.

DIANE SAWYER

Cooking rituals amid the threats.

INMATE

She pushed her and shoved her. And she finally gave her the soup back because she was afraid of her.

DIANE SAWYER

A universe with its own rules of danger, regret and sex.

INMATE

There's only so many "studs" which, you know ...

DIANE SAWYER

You'll meet the most troubled, the most calculating, the most dangerous. And the emergency response team that keeps crisis from boiling over. That's next week, women in prison.

ANNOUNCER

But up next, the weekend's extreme political messages. And the videos meant to provoke you to vote. When "Primetime Live" returns, after this from our ABC stations.

commercial break

ANNOUNCER

"Primetime Live" continues. Here, now, Chris Cuomo.

"Larry King Live," CNN, 11/17/2004

LARRY KING, HOST: Tonight, Hillary Clinton. Her first live, primetime interview since the election. It's in Little Rock, Arkansas. We're here for the William Jefferson Clinton Presidential Center which opens tomorrow.

Senator **Hillary Rodham Clinton** next on LARRY KING LIVE.

After we deplaned this afternoon and came up that little road from the airport and see that center lit up tonight, what a -- and we had a little private tour. You must be flipped.

SEN. **HILLARY RODHAM CLINTON**, (D) NEW YORK: I am so proud, Larry. And my husband's worked on this now for, oh, about 6 years. And he's been involved in every aspect of the design and planning. And it exceeded my highest expectations.

KING: It's beautiful. Hands-on, right?

H. **CLINTON**: Very hands-on. What you know, what is so important about it is that, No. 1, it's a beautiful building, as you saw. And it's a metaphor. It is the bridge to the 21st Century, which of course was his great slogan when he was running.

And it also is open and airy and light. And it kind of conveys the sense of openness in our government. And then inside, someone said today it was the first museum of the 21st Century. It's so technologically advanced. Literally you can go, as you saw today...

KING: Push buttons and get everything.

H. **CLINTON**: Get everything. I mean, if you want to know what happened June 1, 1997, you punch the button. If you want to know if Larry King is in the library...

KING: I'm in, interviews, dates and schedules.

H. **CLINTON**: They're all there. It tells the story. The full comprehensive history of the Clinton administration. And it's both moving and exciting and informative. And I just could not be happier.

KING: You're going to have some opening here tomorrow. You've got President Bush, former President Bush, President Carter, Gerald Ford a little under the weather.

H. **CLINTON**: Right. Unfortunately.

KING: Two former presidents -- 3 former presidents with your husband. The current president. You're going to have ceremonies.

H. **CLINTON**: Right. We're going to have heads of state, former heads of state. Oh, it is just an overwhelming event.

But I think that tomorrow is especially important, because it's one of those rituals in American politics. You know, we just went through a very difficult and divisive election, but we're all going to be there together. Two Democrats, 2 Republicans, talking about the future.

KING: Almost half the Congress.

H. **CLINTON:** There's a huge number of senators and Congressmembers coming. And what I like is the symbolic aspect of it, because I remember when Bill was president and we went to former President Bush's library opening in Texas. There's just something very reassuring that despite our differences, no matter how partisan times can be, that we all remember that we're all part of this history. We have to do the best we can.

KING: We're going to back to it a little later.

First, how is the president?

H. **CLINTON:** Well, he is doing fine.

KING: We're in the same club.

H. **CLINTON:** I know you are. And you remember that you gain your strength steadily, but slowly. So I think he'd be the first to say he's not back up to 100 percent.

But his doctors say he's doing fine. He certainly is feeling well. But he just doesn't yet have that incredible Clinton tirelessness that I've known for 31 years.

KING: Is he revved up for this?

H. **CLINTON:** Oh, he's so excited. And he's just really gratified. I mean, so many people contributed. There were over 100,000 contributors to the library. There are people who are coming from all over the world to be here. And it is his effort to try to really keep the conversation going about what sort of country we want to have. That's what he believes in. That's what he loves.

KING: He saves everything, right. Because I think every letter ever written to President Clinton is here.

H. **CLINTON:** I think it's darn close. In part, because he became president at the very beginning of the information age -- e-mail.

KING: Cell phones boom.

H. **CLINTON:** Exactly. When bill was elected there were I think 50 sites on the world wide web. By the time he left there were, 50 million sites. And so the explosion in information, and the archives, which is the formal repository of all of the documents and the artifacts is just overwhelmed by everything there. So we're going to have a lot of rotating exhibits.

KING: You toured it with Chelsea today. What does his daughter think?

H. **CLINTON:** She loves it. She is much more attuned than I am to the technology. So she thought the way that the exhibits were presented -- well, you saw some of the almost ticker tape descriptions of what was happening, the videos everywhere.

KING: It's very 21st Century.

H. **CLINTON:** Very 21st Century.

KING: When everything's covered, the impeachment is covered, Lewinski is covered. I mean, they don't -- you get a full history of Clinton, warts and all.

H. **CLINTON:** I like to think, all of the good progress that was made in those 8 years. What he really stood for, the peace and the prosperity, putting people first. What everyone wants to say about my husband, everybody knows that he really deeply cared about the American people and he did try to do what he could to improve their chances in life.

KING: We'll get back to the library in a while.

Major story today in the New York Times. saying, in essence, Senator Clinton has decided to run for re-election in 2006 and a lot of key advisers are saying don't do that, because if you run for Senate in 2006, you can't run for the presidency in 2008, it's too close together. What will you tell the people of New York? So let's hear it from the horse's mouth.

H. **CLINTON:** Well, I have said I'm looking forward to and intending to run for re-election. I do provide a lot of copy, Larry, as you know. People are constantly speculating about me and my life.

KING: So, help us.

H. **CLINTON:** I love being the senator from New York. You know, it's the greatest place in the world. There's no place like New York.

And I have enjoyed the work there. I now think we're going to have some very difficult decisions ahead of us. I want to be part of making those decisions.

KING: So, you want to go back to the Senate?

H. **CLINTON:** I love being in the Senate.

KING: Would you like to be president? I mean, that's a fair question. You could say, I don't want to be. I think about it. H. **CLINTON:** You know, I'm not focused on that. I'm focused on what I'm doing and how well I can do it. That will take care of itself sometime.

KING: This is a good if question.

H. **CLINTON:** A good if.

KING: Assuming now you're going to run for the Senate, would you tell the people of New York you'll serve 6 years?

H. **CLINTON:** You know, I haven't gotten that far. I don't have any plans other than running for the United States Senate. And I'm looking forward to getting out there and talking about my record.

KING: When does that campaign start?

H. **CLINTON:** Well, in these kind of days...

KING: Next week?

H. **CLINTON:** Yes. I have to raise a lot of money. I'm fortunate in that I have wonderful supporters throughout New York and around the country. So they'll be helping me. But I have a lot of money to raise. I want to be in a position to withstand whatever challenge might come my way.

KING: Do you have any idea who might the opponent be?

H. **CLINTON:** I don't, Larry. You know, that's something -- I don't have any control over, so I don't think about it. That's up to the other side.

KING: You don't think, Giuliani, Pataki?

H. **CLINTON:** I don't have any inside information. That's not something that they share with me. So, I'll just wait and see who files against me.

KING: How devastated were you by the Kerry defeat?

H. **CLINTON:** I was very disappointed. I really believed that John was going to do it. He ran a strong campaign. He worked so hard throughout the country. I did everything I could to help him, as so many others did.

We came up short in the White House and in the Senate. And I think that means we've got to take a hard look at what we stand for as a party and how we present to the American people both the values and the priorities that Democrats are willing to fight for.

KING: When did we become a red and blue nation?

H. **CLINTON**: Well, I regret that we are. I don't like to see it that way. You know, we're sitting here in Little Rock, Arkansas. And I have so many friends here, so many wonderful experiences. KING: A red state.

H. **CLINTON**: Now it is. It didn't used to be. It's gone back and forth in the last 8 elections. Five times for the Republicans, 3 times for the Democrats.

I think so much of it depends upon the candidate and the message, the campaign that's put together. Whether you connect with the American people. And that cuts across all the lines.

There should be an effort to try to bring the country together again. I don't accept the fact that it's red versus blue. You know, in New York, we have red counties, 40 counties in New York voted for President Bush this time. You know, I work as hard as I can in every single county in the state. I try to represent everybody to the best of my ability.

And I think that's what we should do when we run for office. I don't think we should write off or ignore any part of the state. I don't think we should do that in the country.

So I'm hoping that maybe we can get back in the years to come to nationwide elections where we talk to the entire nation, where we travel through the entire country, and where we have a conversation about what matters.

You know people in red states and blue states love their children, care about their futures, worry about their jobs, wonder about their health care and definitely are concerned about the values that surround us. So I think we ought to have an open national conversation about this.

KING: Would you abandon the electoral college?

H. **CLINTON**: Well, you know, I think the electoral college is running afoul of our one person, one vote. I think realistically, it's unlikely ever to be abandoned. But...

KING: If you could wave a wand, would you?

H. **CLINTON**: You know, I'm inclined to think it may have outlived its usefulness at this point.

KING: We'll take a break and be back with Senator **Hillary Rodham Clinton**. We're at the beautiful -- and the only way you could term it, it's a magnificent structure, the William Jefferson Clinton library in Little Rock, Arkansas on the banks of the river, right next to the -- we're broadcasting from the old train station that was the Rock Island line. It's a mighty good line. That was a song once. Big hook. Do you remember that song?

CLINTON: I do.

KING: The Rock Island Line is a mighty good line. We'll be right back, don't go away.

(BEGIN VIDEO CLIP)

BILL **CLINTON**, FORMER PRESIDENT OF THE UNITED STATES: I wanted to make a contribution to the development of this city that I love so much. I also wanted the library to be in the middle of America, where people from all walks of life and all states passing through on the interstate, landing on the highway, coming here to conventions, doing whatever, could see what it is like to be president.

(END VIDEO CLIP)

KING: He could have chosen other places, right? there were offers?

CLINTON: A lot of offers. But there wasn't any real choice in his mind, other than Arkansas. You know, this is a place that nurtured him and helped to raise him. It's a place that let him be their governor for all those years. And he couldn't have become president without the people of Arkansas standing behind him. I was thrilled when he decided to come here. And it's a beautiful location, as you've seen, right along the banks of the Arkansas River. And what I am especially pleased about is that I heard today, you know, that somewhere between \$800 million to \$900 million in economic development has already resulted because of Bill's decision to put the library here. And it's just -- I was at a big event today with all the former first ladies of the state of Arkansas who are still living. And you know, there are such wonderful memories. This is where we were married, this is where our daughter was born.

KING: You drove a car here.

CLINTON: I did. I used to drive a car here, I shopped here, I was sort a normal person, hard to believe.

KING: You have never voted in the Senate for a Supreme Court nominee.

CLINTON: That's right.

KING: We would imagine the next four years, you may have a few.

CLINTON: It may be.

KING: What will be your parameter? Must they be pro-choice? Is there a litmus, as you would vote?

CLINTON: I am going to take them as they come, each individual person. That's what I've tried to do with all of President Bush's nominees. I've voted on, my goodness, you know, more than 200. And we've confirmed more than 200. We have turned back a relative handful, I think maybe 10 of the nominees. So I think that the percentage is very much in favor of the process. There are those who want everything, but that's not the way the system should work. I mean, this is a system of compromise, where people have to be assured that we're within the bounds of whatever the mainstream is. And so I have voted in the last four years for judges who are certainly not in agreement with me on a lot of major issues but who I thought would be fair and judicious, would not allow whatever their personal opinions were to interfere with the kind of decision-making that will inspire confidence in the judiciary.

KING: You'll vote that same way for...

CLINTON: I will certainly vote that same way. And I will look at each individual nominee and weigh that person on the merits and then make a decision.

KING: Would you participate in a filibuster if that occurred?

CLINTON: I have. I have already. Because I think it's the duty of a senator -- you know, what happened in my husband's eight years was that the Republican Majority often wouldn't even let a well-qualified nominee come to the floor of the Senate. And so they would keep them bottled up in committee, they would never give them a hearing, they would never give them a vote in the committee, which I thought was very unfortunate. But unfortunately for us, we have very few tools at our disposal to make sure that everything is fully debated and the views are heard. And oftentimes, a filibuster is there for a purpose, which is to have the minority exercise its right to have a very strong view about what advise and consent means under our constitution.

KING: What do you make of what's going on with cabinet replacements?

Let's start with Rice for Powell.

CLINTON: Well, it's the president's prerogative. He has won his second term and, he gets to choose the people he wants. I think that Secretary Powell was a very significant influence within the administration during the first term. And although he didn't win very many arguments, at least counterpoints were heard in the highest level of debate. I don't know that that will happen now. I have a great deal of respect for Dr. Rice. She's an incredibly intelligent, devoted public servant. But it's very clear that she's not going to be disagreeing with the president or the vice president or the secretary of defense.

And I think debate and even dissent is very healthy in an administration. Otherwise, you do develop group think. We got into problems with that around the weapons of mass destruction and the Iraq war, where group think took over. And I don't think that's the way that you arrive at the best decisions.

KING: What do you think about General Ashcroft leaving?

CLINTON: Well, I think that that was probably an important step. Because he certainly did not have the confidence of a lot of people in the country on important issues that concerned civil liberties, individual freedoms. And I'll look forward to hearing more about what Mr. Gonzalez will bring to that job.

KING: What committees do you sit on?

CLINTON: On the Environment and Public Works Committee, on one that's called Health, Education, Labor and Pensions, and the Armed Services Committee. So I have my hands full with three very significant assignments.

KING: Armed Services being the most?

CLINTON: Well, it has taken up most of my time, because the work has been overwhelming. We have not only had the usual hearings you have to have with respect to what's going on in the Defense Department, but because of the wars in Iraq and Afghanistan, and certainly the prison scandal at Abu Ghraib, we've had a lot of extra hearings and the work has been intense.

KING: What do you make of that shooting in Iraq?

CLINTON: I don't want to jump to any conclusions. I think it's appropriate there is an investigation, as there well should be. You know, it's easy to either jump to someone's defense or to the side of prosecution. But I like to see what the facts are and I'm going to wait until the report's finished.

KING: And your committee will be involved in testimony? Will it?

CLINTON: We'll see. I think that there's an ongoing investigation. We certainly will hear the results of that investigation. But it would probably not be appropriate to have any hearings about it until we get the facts.

KING: We'll be right back with Senator **Hillary Rodham Clinton**, Democrat of New York, on the occasion of her husband's library opening officially tomorrow.

We took a tour of it earlier. There you see it. By the way it's lit so that ultraviolet rays during the day of the sun do not get through. That's why it is very brightly lit. Architects have praised it widely, except one critic in the "London Economist" who said it looked like a recreational vehicle. Well, even that ain't bad. We'll be right back. Don't go away.

KING: Here's this library. Official opening is tomorrow. William Jefferson Clinton. We're looking forward to his return to this program. He was on the night he went into the hospital.

H. **CLINTON:** That's right, I remember. I was sitting there when he called you. And I so appreciate the work that you do through your foundation. And one of the reasons why Bill's not here and I am is because he still just doesn't have his full strength back and he wants to sort of conserve his strength for tomorrow, which is such a big day. But you and I were

talking before we went on the air about how you just really have to work through this. Then eventually you get back to your full energy. KING: You feel better every day if things go right.

H. **CLINTON:** You do, every day you feel better. But I think he wants to do some work on behalf of heart disease too.

KING: I want to get back to the library but one other thing, it was printed -- that could be wrong -- that you, using your heavy clout, convinced Chuck Schumer to not run for governor, getting him better posts in committees so that Eliot Spitzer could run for governor. True? You don't even have to give me a long answer.

H. **CLINTON:** No. Chuck made up his own mind. I'm delighted he's going to stay in the Senate. He's doing a great job. He has for years.

KING: You didn't work behind the scenes at keeping him...

H. **CLINTON:** Well, I tried to persuade him that it would be great for the Senate. But he made his own decision.

KING: You're going to support Eliot Spitzer?

H. **CLINTON:** Well, I don't support anybody in a primary. But if there's no primary, I will be an enthusiastic supporter.

KING: You have a place in this library. What do you think of the Hillary part?

H. **CLINTON:** Well, I'm thrilled. It's very gratifying to have the work I did on behalf of health care and women and children and education and adoption, all the things that I cared about, highlighted in the library. And it is also exciting to see the second floor of exhibition space, about some of the behind the scenes of the White House. The little stories about our time at Christmas. Or the place settings of the china that I helped to design for the millennium, my inaugural gown from 1997. The kind of personal touches that people love to see.

And the oval office in this library is the exact replica. It's the first time they've ever had it exact size. So people who have never been to Washington, would never get to go to the Oval Office, will get a chance to see it.

KING: How about students?

H. **CLINTON:** I can't wait for students to be in this library. Because there's something for every age. There's a wonderful series of just the exhibits that are funny, the kind of gifts, the swords that come from different heads of state around the world to people who can really delve into it for research papers.

So every age of student is going to learn something in this library.

KING: What didn't you like about it?

H. **CLINTON:** You know, having been through it today, there is absolutely nothing I've found that I don't like.

KING: Really? Did you sign off on this by the way?

H. **CLINTON:** I certainly offered my suggestions. But this was such a labor of love for Bill. He labored over it. He offered so many ideas to the architects and to the designers. And he knew every nook and cranny about what was going to be in the library. I didn't have that level of involvement.

So when I saw it today, obviously I had an idea of what I was going to see. But it was so much more. It was -- it had a vitality to it, an energy that I just found infectious. I was walking through it, and I had tears in my eyes in some places, and I was bursting out laughing in other places. It just came alive for me again.

KING: What does a library do for, if anything, for a legacy?

H. **CLINTON:** I think that for Bill, it gives him a chance to do the official part of it, which is to turn his papers and artifacts over to the country, to take possession of them through the National Archives.

KING: And the country takes possession tomorrow. It belongs to the United States tomorrow.

H. **CLINTON:** Absolutely. Now he had to raise the money privately to build the museum part of it. And it really stands for what he cares about in governing and in politics. And it talks about the issues that he thought were important to the country and the way he kept score. The way he kept score is, were more people working when he left than when he started? Were we in better financial shape when he left than when we started? Did more people find their way out of poverty than when he started? All the things that really matter to improving the lives. That's what he thinks politics is about.

But this is only part of his legacy. Because he's so young. And this is also not only the place where the library and the museum are situated, but as you say, right here we're in the Clinton school of public policy. We're going to be giving degrees to people who want to become better public servants. He's going to be running his foundation out of the library here and out of his office in Harlem in New York. He's going to continue the work on HIV/AIDS prevention and treatment around the world, and racial and religious reconciliation, and economic empowerment.

So I don't think that this captures his entire legacy. It takes time, both for history to look back, but also he's got a lot of work he still wants to do. He's going to remain very active here at home and around the world.

KING: What does he want to do more than that, more than a foundation and an office in Harlem? Does he have larger plans?

H. **CLINTON:** I think, Larry, he really wants to make a difference in the world. He wants to continue the work he did in Northern Ireland, in the Balkans, in the Middle East. He's already met with some former and present government officials, heads of state and others just in the last two days here in Little Rock. Talking about what they can do together. Because people come to him and they ask him for advice. They ask him for his ideas about solving problems. He wants to save lives with diseases like HIV/AIDS. He really cares passionately about the work of the foundation.

KING: When President Bush was on this show a couple of months ago, we talked about how gracious he was when the official portrait was unveiled in the White House. And he said that he has terrific admiration for president Clinton, his personality and his verve. Do you think that he might be called upon to key areas maybe help this administration at times? And would he take it?

During the campaign, President Bush said that he would like to think of ways to call on Bill. And I know Bill would be more than willing to help. Both because he thinks that when your president asks you to help, you say yes. And secondly, because he'd like to provide whatever assistance because he knows more than the rest of us what that job is like. Really, the pressures on whoever the president is are so enormous. They are almost unimaginable for most Americans. I've seen it up close. You've seen it closer than most people. You know what a toll this job takes on any person. So if he were asked, I know he would be more than willing to help.

KING: We'll take a break, come back with our remaining moments with Senator Clinton. And then Mack McLarty, the former White House chief of staff, only went to kindergarten with Bill Clinton, will be with us. Ann Richards, the former governor of Texas. And historian Michael Beschloss will look at the life and times of the former president. Right back with more moments with Senator Clinton after this.

KING: We're back on LARRY KING LIVE. We're in Little Rock. Another shot of the President Clinton Library which opens officially tomorrow. They're forecasting rain by the way.

H. **CLINTON:** Oh, no, can't rain.

KING: Well, make a call as I said. Do you think the impeachment thing was handled tastefully and well?

H. **CLINTON:** I do. I do. I've told everyone that the history was going to be full and accurate. Nothing's left out. Obviously, not everything can be shown. But there's going to be access to all of the documents. In fact, Bill is going to be making his documents accessible even earlier than legally required.

KING: He is?

H. **CLINTON:** He is. Because he really thinks it's important. That's one of the things the library really stands for. It physically stands for openness with all the glass and the light. But he wants it to be a place where people come and really study. And everything's going to be available. KING: A couple of other things. Senator Harry Reid. What do you think about him?

H. **CLINTON:** Wonderful guy. I adore him.

KING: He's your new head.

H. **CLINTON:** He is. And I'm an enthusiastic supporter. Obviously I'm so sad for Tom Daschle, who's a wonderful, wonderful man and a great public servant. I only wish the best for him and his family. Harry Reid will be a tough competitor. He's fair. He listens. He'll get along wherever possible with the White House and the Republicans on the other side of the aisle. But he'll stand his ground. He's a wonderful human being.

KING: The death of Arafat. Make you hopeful?

H. **CLINTON:** I have to be hopeful. I cannot afford not to be hopeful. We have to hope that the Palestinian people will make a transition to new leadership and will look for a way to adopt a two- state solution so that the people of Palestine, particularly the children, have a brighter future. The Palestinian people are such an intelligent, creative, entrepreneurial people when they...

KING: Poets of the Middle East.

H. **CLINTON:** And when they leave the region and come to the United States or Europe, they're successful in every walk of life. They should be able to do that in the area where they are now living, without having to leave. But that's going to require new leadership. It's going to require the United States becoming engaged and making clear that we're looking for some resolution that guarantees security for Israel and peace for the people.

KING: Do you know why Arafat turned that deal down that your husband brokered with him and Barak?

H. **CLINTON:** I do not, Larry. I think that when the time came to be a statesman, he couldn't do it. He was stuck in a time warp that had passed him by. But he wanted to hang on to what was familiar. He did a great disservice to his people, in my opinion.

KING: Are you hopeful about the elections in Iraq?

H. **CLINTON:** I am. We have a long way to go before we can hold secure elections. And we need to hold elections simultaneously in all parts of the country. It would be very troubling if we left certain parts of the country out. So therefore, we have to provide sufficient security so that the Sunni population is able to vote along with the Shia and the Kurds. It is certainly conceivable that with the capture of Falluja and driving out the insurgents there we are closer to making that happen. But we still have a lot of work to do.

KING: What are you going to do tomorrow?

H. **CLINTON:** I am so excited. I'm going to enjoy every minute of the dedication. And I have the great pleasure of introducing my husband. And we will have an incredible ceremony with the former presidents, along with President Bush speaking.

KING: Will President Bush speak?

H. **CLINTON:** Absolutely. He will speak. And I remember very fondly when Bill and I went to the dedication of former President Bush's library. It was a wonderful occasion. There's a camaraderie, a collegiality among former presidents and present presidents and first ladies that I'm really looking forward to tomorrow. I'm looking forward to welcoming the Bushes to the library. There will be a lot of presidential family children. I've already seen Susan Eisenhower and Linda and Lucy Johnson, Caroline Kennedy will be there. I think one or both of the Nixon daughters will be here. There's a real sense of identity with one another. We've been through an experience as members of a presidential family that is unlike any in the world. And it's a great privilege. It's often hard. But the honor is just overwhelming.

KING: And of course you like the collegiality of the Senate.

H. **CLINTON:** I do. I like...

KING: It's a club, isn't it?

H. **CLINTON:** It is. And even though we have people with very strong opinions, and I would include myself in that category, we find ways to work together.

KING: Always good seeing you, Senator. Send our best to Bill. We look forward to seeing him soon.

H. **CLINTON:** Thank you, Larry. Thanks for coming.

"On the Record with Greta Van Susteren," FOX, 11/17/2004

(BEGIN VIDEO CLIP)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: I think I know a great leader when I see one. And so does America. In 1992 and 1996, Americans chose a president who left our country in better shape than when he took office.

(END VIDEO CLIP)

VAN SUSTEREN: This is a special edition of ON THE RECORD, live from Little Rock, Arkansas, where the Clinton Presidential Center officially opens tomorrow. Senator **Hillary Rodham Clinton** also has her own alcove in the library dedicated to programs she ran as first lady.

Earlier, I met with Senator Clinton for her first sit-down interview since the election. I started by asking her when she first came to Arkansas.

(BEGIN VIDEO CLIP)

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: In 1974. And so I spent 18 wonderful years here, first in Fayetteville and then in Little Rock.

VAN SUSTEREN: In your wildest dreams, did you ever think it would come to this?

CLINTON: No!

(LAUGHTER)

CLINTON: You know, I am overwhelmed. We had an incredible reunion lunch of all of the former first ladies of Arkansas today. And we told stories about what it was like moving into the governor's mansion, because a couple of us literally showed up with U-hauls and, you know, unloaded our things in the governor's mansion. And the idea that I would have, you know, had just this extraordinary experience here, the people were so wonderful to Bill and me, and then, you know, they helped make him president. And he wanted to bring the library right back here to really show how much he cares about Arkansas.

VAN SUSTEREN: Who designed this library?

CLINTON: Jim Polshack (ph) and a wonderful team of his young, vigorous creative architects. But Bill Clinton had a big hand in it. He knew exactly what he wanted. He wanted a building that would be architecturally significant and environmentally advanced. And it just won an environmental award. He wanted a building that was open and light, that was a real metaphor for what he thinks government and democracy should be, which is, you know, open to the people.

And then, in working with the architects, he and they came up with this idea of a building that was representative of the metaphor of building the bridge to the 21st century. I think they've done a fabulous job. This is really, probably, I think, fair to say, the first museum of the 21st century because it's so interactive, it's so technologically advanced.

VAN SUSTEREN: You know what I think is sort of interesting, as I went through the statistics about it, there are something like 80 million documents in there. I don't know who went through those documents, who had that job. But there are 20 million e-mails. I mean, this probably must be the -- this has to be the first presidential library with e-mails.

CLINTON: That's right. Well, when we, you know, were first moving into the White House in 1993, there were, I think, 50 sites on the World Wide Web, and it was mostly for scientists. And by the time Bill left -- you know, I can't remember, some huge number like 50 million.

And so this library, in part because Bill liked to, you know, respond to people and made sure that his staff was so attentive, people felt like they could write to the president. They felt connected to him. He always conveyed a sense that he cared about people, and that was a hallmark of his administration.

But the result is that it's a rather enormous archive because everything is moved from Washington to wherever the president, whoever the president is, builds his library, and we have literally millions and millions of pieces of paper. And I'm really proud of the fact that he's going to try to get as much of it open for the public, for scholars, for the press, as soon as possible because he believes in open government. He wants people to see the whole picture, see, you know, everything that he wrote on, every memo that came to him that he responded to because he worked really hard, which meant that people generated a lot for him, as the president, to -- you know, to read, analyze and respond to.

VAN SUSTEREN: Will he be giving lectures and participating? Will it be more than sort of just an archive or a museum?

CLINTON: It will be. Obviously, the museum is the attraction for the thousands of people who are going to be coming starting today and tomorrow. The archives are there for scholars and researchers. But there's also the Clinton School of Public Policy, which will begin to grant degrees to people, primarily in, you know, mid-life, or certainly after they've had some real-world experience, who want to make a difference in the public arena. That's going to be a major part of Bill's focus.

The foundation, which is located here and in New York at his Harlem office, will continue the work he has started primarily on behalf of HIV/AIDS prevention and treatment in Latin

America, Africa and Asia. He will continue to work on economic empowerment and helping people really get the tools that they need to make better lives for themselves economically, racial and religious reconciliation, one of the biggest issues facing us, something he started when he was president.

So it's going to be a very active post-presidency, as it already has been the last four years. And he hopes to be able to hold a lot of seminars and meetings, international meetings, as well as, you know, national and local ones, here at the library and the entire center complex.

VAN SUSTEREN: This is great for Little Rock. I mean, I've talked to people here. They think that -- you know, they're excited to have it, as well as it's going to generate money for the community.

CLINTON: Well, I was told today at the luncheon I attended at the convention center with all of our former first ladies on behalf of the governor's mansion, that it's already generated close to a billion dollars in economic development.

VAN SUSTEREN: Is there a part of the building that talks about the first lady, a part of the museum?

CLINTON: There is. There's an -- one of the alcoves on the main floor tries to cover the work that I did as first lady with Bill and on behalf of issues affecting women and children at home and around the world -- obviously, health care, education, adoption, many of the causes I tried to champion.

And then on the second floor of the exhibit space, there are some of the more personal features. There's my inaugural dress from 1997. There's one of the gowns that I wore at one of the state dinners. There's a wonderful table that is set up as though it were for a state dinner, using the china that I had designed for the millennium. And then there are all these really touching pictures and artifacts that are both about us, as a family in the White House, and what people sent us and the gifts that they gave us, and you know, the pictures they drew.

It's both funny and touching. And the archivists who have some experience at other presidential libraries tell me that it's likely to be the most popular part of the library because it's the human part, you know.

VAN SUSTEREN: Does it talk about you running for the Senate?

CLINTON: It does, you know, just a little slice because that did happen at the end of Bill's term. So there's a picture there of my election. But it's mostly about what Bill did and what I tried to help him do. And it's all interactive, so that you can literally touch a computer screen and you can see what happened on every day of the year of all eight years.

And there's a constant running video. There are many, many video screens, and there's interviews and statements from people like Nelson Mandela. And you just get a sense of the -- the almost explosive energy that went into Bill's presidency, that there was so much happening. There was, you know, so many positive steps for our nation, whether it was, you know, driving the crime rate down or the welfare reform or anything else that strikes you.

(END VIDEO CLIP)

VAN SUSTEREN: As we go to break here at the library, there are fireworks in the background. We're going to be back with much more from the former first lady of the United States. Stay with us.

VAN SUSTEREN: They're shooting off fireworks in Little Rock, Arkansas, outside the president's new presidential center right here behind me. And now for more of our interview with the former first lady, Senator Hillary Clinton. I asked her what it's like when a number of U.S. presidents from different parties get together.

(END VIDEO CLIP)

CLINTON: I remember very well when Bill was president, and we went down to Texas A&M for the dedication of the first President Bush's library. And it's a tradition. So tomorrow, we'll have former president Jimmy Carter, former president Bush, and President and Mrs. Bush with us. And I think that's especially important after this election, to show unity on behalf of our nation, to show our leaders past and present there together, really focusing on the future together. And it's, to me, a very touching part of our American political tradition.

VAN SUSTEREN: Is it fun to see all of these former presidents and their wives?

CLINTON: It is fun because, you know, there are things that, no matter what party you are or what age you came into the office, that you only share with this small group of people. It's an awesome honor to be given the chance to serve the American people, and we were fortunate to have it for eight years. And there's just a kinship there. Even if you are on opposite sides of the partisan divide, there's a recognition of the sacrifice, the hard work, the real burdens that come with the office. And I enjoy, you know, seeing our predecessors, as well as President and Mrs. Bush, on occasions like this.

VAN SUSTEREN: Is the museum such that it -- you know, that it's going to capture things in the future, as well?

(LAUGHTER)

VAN SUSTEREN: For instance, let me give you the trick question. If you run for president in 2008, have you accommodated for that?

CLINTON: Well, I have no plans whatsoever of doing that. I...

VAN SUSTEREN: That was a trick question.

CLINTON: That was a trick question. You're good at it! But you know, I'm really happy being a senator from New York. But this is a library about the Clinton presidency, the Bill Clinton presidency.

VAN SUSTEREN: No, I couldn't -- I couldn't trick you into that. I couldn't trick you into that one!

(LAUGHTER)

VAN SUSTEREN: You know, I planned that one.

CLINTON: Well, you know, Greta, I -- I just feel so blessed. I mean, you know, coming back here -- and we've seen just in the, you know, few hours already, so many people who were part of the administration, who were supporters. I met three women who drove from Flint, Michigan. I met a couple who, you know, flew in from Seattle, Washington.

I'm just so touched by the outpouring of support for the idea that we want to remember what happened in those eight years, and we maybe want to learn some lessons from it, about how we try to build on positive progress. And obviously, you know, as the senator from New York, I'm thinking a lot about that because we're going to have big decisions facing us in the Senate. And you know, I really -- I'm hoping to bring some of the lessons of the Clinton presidency to the debate about issues like the deficit and Social Security and health care and other matters that are really important to people's lives.

VAN SUSTEREN: How about the Supreme Court? That's going to be a huge issue in this next four years.

CLINTON: Yes.

VAN SUSTEREN: What is your expectation, in terms of any appointment that comes from the White House for the Supreme Court?

CLINTON: Well, I'm going to wait and see. I would love to be able to enthusiastically support President Bush's nominees. I have voted for the vast majority of them. I have opposed, you

know, a handful of them. But the Supreme Court is such a critical institution in our balance of power and our checks and balances that I hope, if there are openings, that the president sends nominees who are, you know, really worthy of commanding broad-based bipartisan support, not only in the Senate but across the country.

VAN SUSTEREN: In terms of leadership in the Democratic Party, who do you endorse or support or who would you like to see head of the DNC?

CLINTON: You know, there's been no decision made about who the DNC chair will be, but a number of very able people have expressed an interest. What I think is important is that the energy and the ideas that I believe mark us as Democrats really get a full hearing. Obviously, we have to do a better job in communicating with people and, you know, putting out ideas that are both workable and worthy of support.

And I've been, you know, very willing to reach across the partisan divide in the Senate to work on ideas that I thought were worthy and important, and I'd like to see more of that. But at the same time, I think, as a Democrat, I also want to, you know, clearly articulate, you know, why we think it's important, for example, to deal with the deficit, you know, why we think that's good for America, as opposed to just, you know, being caricatured and kind of put in a box by people who don't agree with us.

(END VIDEO CLIP)

VAN SUSTEREN: And up next, more of our special interview with Senator **Hillary Rodham Clinton** at the Clinton Presidential Center in Little Rock, Arkansas. And later: Does Scott Peterson's lawyer, Mark Geragos, have a new plan to keep his client off death row? There's breaking news out of Redwood tonight. We have the latest.

(BEGIN VIDEO CLIP)

CLINTON: Let's join together, not just those of us in this great hall tonight, but throughout our nation, and do everything we possibly can to convince our fellow Americans to look to the future, to look deep inside themselves. They know what is best for our children.

(END VIDEO CLIP)

VAN SUSTEREN: We're back with this special edition of ON THE RECORD. We're live from the Clinton Presidential Center in Little Rock, Arkansas, which officially opens tomorrow. And you can hear the fireworks in the background here. And we have more now from our interview with former first lady, now senator, Hillary Clinton. And first up in the last part of our interview is the 2004 election. Take a look.

(BEGIN VIDEO CLIP)

VAN SUSTEREN: What happened? Why did the Democrats, why did Kerry not win, Senator Kerry not win? Why did you lose four seats in the Senate?

CLINTON: Well, I think the post-mortem on that is still going on. Obviously, I hoped we would do a lot better, and I was optimistic about both the presidential election and the Senate seats that were up. Clearly, we didn't do a very good job.

VAN SUSTEREN: Well, why not?

CLINTON: Well, I think that, first of all, it is hard. And it's been proven hard in history. We've never unseated an incumbent president during wartime. That's just a given. So John Kerry, who ran a really strong, vigorous campaign, had a big uphill climb. In addition to that, I think that, you know, we didn't really do as good a job as I think we can addressing the broad range of issues that concern people.

You know a lot of people think of New York as a blue state. Well, we have a lot of really blue areas. We have some really red areas too. You know, President Bush carried I think 40 counties in New York.

And what I have found in the last four years is that, you know, people may not always agree with you but you owe them the respect of listening, which is something I believe very strongly in and, you know, expressing your opinions and having a dialog with people.

So, I hope that as we pick up the pieces from this last election we'll do more listening and reaching out and we won't just do it in the places that we won but, you know, we'll go to the places like Arkansas or upstate New York, places I'm very familiar with and, you know, listen to people and talk with people because I think if we do a better job of -- of clearly communicating what we stand for, we will do better in elections. I was struck that two groups where we lost ground were women and Hispanics.

VAN SUSTEREN: Why?

CLINTON: You know, there's no reason for that but I saw some very interesting research in one of the papers which said that, you know, about four percent of the people made up their mind in the last day and I don't think we can underestimate the impact on individuals of, you know, just the concerns about the Iraq war, the concerns about terrorism, which I understand.

I mean I, you know, I was there the day after 9/11 in New York. I saw the horrors of that attack. You know, I think we have to be, you know, strong and aggressive but we have to be smart and I don't know that we did as good a job as we should have sort of drawing the contrast.

You know let's just accept that we're going to do everything we can to keep America safe. That's what I've tried to do now for three years. But I don't think we've done enough in homeland security.

I don't think that we have protected our borders or our ports or provided our first responders with the resources they need, so we can do more and we can do better.

VAN SUSTEREN: How do you protect the borders, though? I mean like it's a great idea, you know, but I mean, I mean our borders are vast.

CLINTON: They are but there's technology now available. There are some advanced radar systems. There are biometric and other kinds of identification systems that we've been very slow to deploy and unwilling to spend money on.

With respect to our ports, which are part of our borders, we have under this administration steadfastly refused to provide the resources necessary to examine the sufficient of cargo containers coming into our ports that would serve as a deterrent.

We have done a better job with airport security but we still aren't where we need to be with cargo, either passenger or other forms of cargo. So, there's just a lot of work that we have started but we haven't had the urgency or the resources that I think every expert who has looked at homeland security who has come and said, "Here's what we need to do for borders. Here's what we need to do for ports. Here's what we need to do for chemical plants and nuclear plants. Here's what we need to do for our first responders."

We have bipartisan independent reports, which have spanned a couple of years. They all say the same thing. They all provide the same sort of recommendations and so far, even with the 9/11 Commission report, we have not put into effect what I think would make us safer going forward.

VAN SUSTEREN: Is it money?

CLINTON: I think it's money and it's will. Clearly, when you're in a deficit like we are, you know, we went from a balanced budget with a surplus when Bill left office to the biggest deficit we've ever had and...

VAN SUSTEREN: We're in a war though. We have a war. I mean we have a war.

CLINTON: We do but we also have huge tax cuts that are unaffordable that are shifting the tax burden rather dramatically away from those of us who are most able to bear it to the middle class, which I don't agree with.

And so, we have had a president who has been the first in our history to take us to war and cut taxes at the same time. That's never happened before. You know, you can't have everything in life. You know, I try to teach my daughter that. I try to preach about that to, you know, people all the time.

You've got to make choices. Life is a series of choices and, you know, ironically this administration seems to be the free lunch administration, you know, the big credit card in the sky and they have not controlled spending. They've not controlled tax cuts.

They allowed all the rules that used to balance us and having the kind of prudent approach toward budgeting that worked in the Clinton administration out the window. So, I think that it is a question of money but behind money it's a question of will and we just haven't had that.

VAN SUSTEREN: Why isn't it though in light of that that the Democrats didn't win? I mean if you hear those things and talk about the money, you talk about the borders I mean that certainly interests everybody.

CLINTON: Well, Greta, I think that we did a great job. I mean let's not forget how close we came but clearly we fell short and I think we have to take a hard look and analyze what our shortcomings were.

I want to be part of a dialog, a conversation because a lot of people who voted for Democrats in the past decided not to vote for Democrats this time and I think it's important that we understand exactly why and I don't think you can do that in the immediate aftermath of an election.

I think you have to wait, give it a little time, look at the real data that comes out and then, you know, engage in this kind of conversation that I'm advocating.

VAN SUSTEREN: How come we're not checking the bellies of these airplanes?

CLINTON: Beats me, bellies of airplanes, container ships. I worry a lot. I had legislation about dirty bombs. I had legislation about chemical plants, along with Jon Corzine from New Jersey. I had legislation about better security at nuclear plants.

We have fallen short and, you know, thankfully we have been able to avoid any consequences but I believe in being as prepared as possible and then if something doesn't happen, you know, great it didn't happen but we need to be as vigilant and prepared and use the resources that are necessary to protect our country.

VAN SUSTEREN: All right. Humor me. Is it safe to say that you have not flatly made up your mind not to run for president in 2008?

CLINTON: You are good. You are good.

VAN SUSTEREN: I'm trying. I'm trying.

CLINTON: You are so good. You're an old trial lawyer. I can tell.

VAN SUSTEREN: Senator Clinton, nice to see you and congratulations. The building looks exciting.

CLINTON: Well, I hope all the Fox viewers will come and see it, you know.

VAN SUSTEREN: I do too.

CLINTON: It will get their blood pressure going but that's always healthy.

VAN SUSTEREN: All right, nice to see you, Senator.

CLINTON: Thanks, Greta.

VAN SUSTEREN: Thank you.

And up next, new legal...

(NEWSBREAK)

VAN SUSTEREN: Coming up, paying the price for Laci's death. Does Mark Geragos have a new plan up his sleeve to make sure Scott Peterson doesn't pay with his life.

Plus, a late-breaking update on a college soccer star missing in upstate New York.

"Good Morning America," ABC, 11/18/2004

Many of the leading Democrats in this country are in Little Rock, Arkansas today for the opening of the Clinton Presidential Library, including a senator with a particular interest in the library. Talking, of course, about Senator Hillary Clinton. And our senior national correspondent, Claire Shipman, is with the senator in Little Rock. Claire?

graphics: feeling presidential?

graphics: **hillary rodham clinton**

CLAIRE SHIPMAN, ABC NEWS

(Off Camera) Charlie, that's right. Senator Clinton has spent almost as much time on this project, I think, as the president. Thank you so much for being with us this morning.

SENATOR **HILLARY RODHAM CLINTON,**

DEMOCRAT, NEW YORK

It's a pleasure to be here with you. And welcome to the Clinton Library.

CLAIRE SHIPMAN

(Off Camera) Thank you.

SENATOR **HILLARY RODHAM CLINTON**

And, you know, it's been a real labor of love for Bill for about six years. And he's been deeply involved in planning it, and I think it really represents him. It's not, it's just open and welcoming and light, and I love to have you here with us.

CLAIRE SHIPMAN

(Voice Over) What did the two of you think when you saw the final product?

CLAIRE SHIPMAN

(Off Camera) Was it an emotional moment? Did you gagh

SENATOR **HILLARY RODHAM CLINTON**

It was. Oh, Claire, it was a very emotional moment. I, I was here yesterday for the first time to see it with the exhibits all installed, and I'm just stunned by how well the building itself turned out. It's already won some awards, and it's all environmentally advanced, which I am

very proud of. But then the exhibits, I mean, I was in tears in some places and I was laughing hysterically in other places. It was ...

CLAIRE SHIPMAN

(Voice Over) And the president? Has he been emotional about it?

SENATOR **HILLARY RODHAM CLINTON**

Very emotional. Yeah. And, and, you know, it's also a time, over the last couple of days, when we've seen so many of the people who made his administration possible. People who served in government, people who supported him, you know, young people who were in the AmeriCorps program. It's just been an extraordinary experience.

CLAIRE SHIPMAN

(Off Camera) Now, I understand that on the very top there's an apartment ...

SENATOR **HILLARY RODHAM CLINTON**

Right.

CLAIRE SHIPMAN

(Off Camera) ... that you can stay in. So, I have these images of the president wandering through the Oval Office at night, looking at the files.

CLAIRE SHIPMAN

(Voice Over) I mean, will he stay there?

SENATOR **HILLARY RODHAM CLINTON**

Well, when he's in Arkansas, which he hopes to be on a regular basis. I think everyone of the presidential libraries has an apartment, and this will be also used for entertaining. He's already, you know, visited with some heads of state, former heads of state, and members of governments in the last couple of days there. So, it will be a place for him to come. He wants to be involved in the work of the Clinton School of Public Policy, which he's very excited about. And I think, probably, visitors over the next years, you know, they might be standing, looking at an exhibit, or looking at the Oval Office, and somebody will say, what do you think about it? And they'll turn around, it's Bill Clinton.

CLAIRE SHIPMAN

(Off Camera) He'll wander in. And he knows every detail we were told. All right. Now, a lot of talk about perhaps in the future a second Clinton Presidential Library, because, you know, this is your husband's party, but the buzz is all about you. You want to tell us anything on "Good Morning America?" Are you going to run for president?

SENATOR **HILLARY RODHAM CLINTON**

Well, I'm going to run for re-election to the Senate, which I am very excited about, looking forward to. But I think if you go through this library, and you look at what was accomplished during the 1990's, there's some good lessons to be learned for, not only me, but for Democrats in general about what works and how better to connect with people and communicate with people. So, I'm going to be doing my part as a member of the Senate on behalf of the issues that New Yorkers and Americans care about.

CLAIRE SHIPMAN

(Off Camera) Do you think, there's a lot of talk about the map, the red-blue, and a lot of people now look at the great swath of red and say, somebody like Hillary Clinton would not be electable in this map.

CLAIRE SHIPMAN

You know, I think it depends upon the candidate. You know, and I also think we need people running for national office to try to bring our country together. You know, here we are in Arkansas, a place where I had a wonderful life for 18 years, and I think that the people in Arkansas, just like the people I represent in New York, care about, you know, their families, and their children, and their futures, and they want to exercise what they believe makes life important, like their faith and other important values. You know, I think we need to talk to each other. I think there's been an unnecessary division. And we may not always agree, but this country has survived and prospered because we've been able to figure out a way to bring people together to do what's right for our nation.

CLAIRE SHIPMAN

(Off Camera) All right, Senator Clinton. Well, it's a fabulous library. I hope you enjoy the day, and I hope it doesn't rain. Thank you so much for being with us.

SENATOR **HILLARY RODHAM CLINTON**

Air Force One, with President Bush on his way, just said that maybe it will hold off. So, I'm hoping that's right.

CLAIRE SHIPMAN

(Off Camera) (inaudible). Thank you so much. All right, Charlie, back to you.

CHARLES GIBSON

(Off Camera) Claire, thanks very much. When we come back, the mementos of marriage. The little things that mean so much to our 125 couples renewing their vows.

graphics: there are 2.3 million weddings a year in the u.s.

graphics: average age of brides: 27

graphics: average age of grooms: 29

commercial break

"The Early Show," CBS, 11/18/2004

We're joined this morning in Little Rock by former first lady and Senator **Hillary Rodham Clinton**.

Good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Harry.

SMITH: So much triumph, tumults of the years that your husband was president of the United States. As this day has drawn closer, what are some of the emotions you've been experiencing?

Well, it's been just an overwhelming experience to actually see the library after all of the work. Bill has just poured his heart into this labor of love. And the exhibits are an incredible walk down memory lane. It's a full and comprehensive picture of those eight years for us and for the nation. And the building itself is just so symbolic of Bill. I mean, it's not only a bridge to the 21st century, but it's open, it's light, it's welcoming. So this has been...

SMITH: It's better in person, by the way, isn't it?

Sen. **CLINTON**: Isn't it?

SMITH: Yes.

Sen. **CLINTON**: Isn't it amazing?

SMITH: So much better in person than on television.

Sen. **CLINTON**: And you know, that's often the case. I mean, people always say to me, 'You look better in person,' which--I never know quite how to take. But the building has already won some architectural awards and just won an international environmental award, because one of the things Bill wanted to do was to cut energy use. And that's achieved that.

SMITH: So it's a green building, too.

Sen. **CLINTON**: It's a green building as well as a beautiful, transparent, glass building.

SMITH: Right. But what about the insides? What about your insides as you're preparing for this day?

Sen. **CLINTON**: When I walked through the exhibits yesterday, there were moments when I was brought to tears and moments when I was laughing hysterically. I walked through with the head archivist, and I said, 'You know, I just can't believe what an incredible job you have done,' because it's not just dry history: Well, this happened then and you go from this to that. It really evokes the emotions--the highs, the lows, the accomplishments, and it lays out in very accessible form what Bill accomplished as our president, you know, the years of peace and prosperity, putting people first, that extraordinary campaign. You know, there are statistics about what happened when he started and what happened when he left; the number of people lifted out of poverty, the number of people with jobs, the number of children with health care. I think it's an extraordinary historical event, because it's really the first museum of the 21st century, the way it uses technology.

SMITH: Yeah, yeah.

Sen. **CLINTON**: You can go in and you can punch a screen, and you can find out what happened on June 1st, 1997.

SMITH: Yeah.

Sen. **CLINTON**: It's just extraordinary.

SMITH: It's interesting, because in this--we're coming out of an election where people were very polarized in the country. Your husband is viewed as a very polarizing figure. This is a day when partisanship is put aside for a bit, but can this building, can an event like this literally build a bridge between people, do you think?

Sen. **CLINTON**: We hope so. I mean, one of the reasons why I'm delighted that former presidents Carter and Bush will be here, along with President and Mrs. Bush, is because it's important for our nation to have these symbolic rituals, to show that we can put aside our differences, that we are united on behalf of our nation. I hope we can do more of that in the country, and I hope that this library and the foundation that Bill has started can be a bridge to bring people together from, you know, different points of view in our nation. We really have to have a conversation as a country again about the fact that we have so much more in common than separates us.

SMITH: I've been thinking, really this has been a road down memory lane for all of us, especially some of us who have been covering you all for a while, and I'm thinking about you sitting in the kitchen of what was the Arkansas Governor's Mansion with the Coke-bottle glasses on, now the senator from New York, and many people say perhaps a presidential candidate in another couple of years.

Sen. **CLINTON**: Well, I'm going to look forward to running for re-election. I have loved representing New York. I feel like I'm one of the most blessed people that you could ever

meet. And I want to do the work that is important to New Yorkers and Americans. We're going to have a lot of big decisions. I mean, I will work wherever I can with the Republicans, but I think we need to stand our ground on issues like Social Security and the budget and other important matters. So I'm looking forward to getting back to work after the first of the year.

SMITH: Now I know you won't say whether or not you're going to run, but you can at least tell me whether or not you've thought about it.

Sen. **CLINTON**: You know, I've only thought about being the best senator I can be!

SMITH: You never seen...

Sen. **CLINTON**: There is a lot of good lessons to be learned.

SMITH: You've never seen a reporter actually choke a former first lady on television. OK.

Sen. **CLINTON**: There's a lot of lessons for anybody who does want to run for president, right back here in that building.

SMITH: Right in that building. There you go.

Thank you so much. We so appreciate it.

Sen. **CLINTON**: Oh, it's great to see you, Harry. Thanks.

SMITH: Great being with you.

We'll be right back.

(Announcements)

"Live From," CNN, 11/18/2004

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Thank you so much.

And thank you for your forbearance and your extraordinary patience today as we celebrate the dedication of this extraordinary institution.

UNIDENTIFIED MALE: We love you.

H. **CLINTON**: Thank you.

Well, I'm going to cut my remarks short, and you can read them all on the clintonfoundation.org Web site.

But what I want to make is just three points.

First, I'm thrilled to have everyone here on this stage who represents the past, the present and the future of our country. And this is a special moment where people come together and make it clear that we are unified as Americans.

And I'm grateful for this moment, and I thank the former presidents and President Bush and the first ladies for being here.

Secondly, I want to thank all of you and millions more who have been so kind in supporting us during the recent weeks following Bill's surgery.

I thank you for your prayers and your good wishes. And I think you can see that he's back and strong and going forward.

But all of that support meant the world to Chelsea and me and I'm grateful to you.

Finally, I cannot wait for you to see this and to tour this museum.

The building is like my husband. It's open, it's expansive, it's welcoming. It's filled with light.

And the exhibits tell a story of someone who loves his fellow man, who cares deeply about the future of all of our children, who recognizes our common humanity.

And for all those reasons and many, many more, I'm so proud to introduce the 42nd president of the United States, William Jefferson Clinton.

"American Morning," CNN, 11/18/2004

O'BRIEN: The stars of the Democratic Party are celebrating today in Little Rock, Arkansas at the dedication of Bill Clinton's \$165 million presidential library. Former first lady turned senator from New York, **Hillary Rodham Clinton**, is at the library this morning. She joins us.

Nice to see you, senator. Thanks for being with us.

SEN. HILLARY **CLINTON** (D), NEW YORK: Thank you, Soledad. It's good to talk to you.

O'BRIEN: Thank you. We got lots to cover, in fact. not only the library, of course, but politics as well. But we'll start with the library this morning. I heard reports that the president himself was involved in the very details about the architecture, things like that. Is that accurate?

CLINTON: Absolutely. This was a real labor of love for Bill, and he started working with the architects about, oh, I guess, six years ago and was involved in every step of the way, giving his ideas about not only how it should be designed, but what it would look like, what the meaning of it would be. And it is just like Bill Clinton. I mean, it's open, it's expansive, it's welcoming, it's spirited, and it is a bridge to the 21st century. That is the whole sense of it.

O'BRIEN: Some people have described it as a shrine as well. Do you think that's a fair description?

CLINTON: Well, I think if you've been to any presidential library, it tells the story of that president's life. I have been to, I guess, all of them, and they are all trying to portray to Americans what that particular president believed, what he did when he was president. But it's more of a historical and really a creative way of having people look at the exhibits, look at the gifts that were given when a president was in office. And I really think that it's smart, because most Americans will never visit the White House, and this presidential library will have an actual replica of the Oval Office when Bill was president. So people, thousands of people, will be able to bring their children and able to see that, or the cabinet room, or one of the limousines that drove the president around. And, I think that's important in our government that we have as much connection with people, and that's one of the reasons why Bill wanted it to be literally a transparent building, because he believes that government and a Democracy like ours should be transparent and open to people.

O'BRIEN: There are some critics, though, who say that the museum itself, the library, minimizes the role your husband had in the impeachment process, in the Monica Lewinsky scandal. What do you make of that criticism?

CLINTON: You know, I think that the library presents a full and accurate picture of the Clinton administration. There were a lot of things that went on during those eight years, a lot of great accomplishments for our country and for the world. So everything is put into context. And people can come and judge for themselves. And in addition to that, you know, Bill will be opening up his records for his library much sooner than the law requires so that scholars and researchers, historians will be able to get in and look at all of the documents and start writing about what happened during the Clinton presidency.

O'BRIEN: Let's talk a moment about politics now. There are reports that Karl Rove has approached the Democratic Senator Ben Nelson of Nebraska to be the secretary of agriculture. There are some cynics who would say it's less of an endorsement of the senator than trying to remove another Democrat from the Senate. Where do you stand on that?

CLINTON: Well, I have no, you know, inside information about any of that. The president has been re-elected. He has a right to ask anyone to be in his cabinet. And then of course who ever's asked has a right to decide whether that's what he or she wants to do.

Ben Nelson is a terrific senator from Nebraska. We love having him in the Senate and as part of the Democratic caucus. He's really a funny, wonderful guy with a great sense of humor. And you know, I hope he stays in the Senate, but obviously, that's up to him.

O'BRIEN: Another thing we're talking about in the news today, of course, is the House Republicans changing the rules to essentially inoculate Tom Delay if he is indeed indicted. No, don't laugh before I finish my question here. What do you make of that this morning? We're hearing lots from Capitol Hill about this.

CLINTON: Well, what can I say? It's just so typical. I mean, they're running the House of Representatives like a fiefdom with Tom Delay, you know, in charge of the plantation. I think it's kind of a sad commentary. I don't think it's good for Democracy. I don't think it's good for the Republican Party. But again, I don't have a vote in the Republican caucus in the House; they'll decide what they want to do, but one would hope that they would not be so quick to change the rules when it affects their leader. They certainly wanted to apply the harshest of rules to Democratic leaders for so many years.

I think we need to call a truce to all of this back and forth, and you know, let's have rules that apply to everybody. It's like the idea that some want to change the filibuster, which has been a time-honored tradition in the Senate. You know, absolute power corrupts absolutely, and I think that we have an administration and Republican leadership that, you know, is very powerful. And power should be handled carefully in a democracy.

So, again, I don't have a vote in any of this, but I hope that, you know, more thoughtful minds prevail over what should be done going forward.

O'BRIEN: Senator **Hillary Rodham Clinton** joining us this morning. Nice to see you. Thanks for being with us this morning.

CLINTON: Thank you, Soledad. Come and see the library.

O'BRIEN: You know, if I get a day off, I would love to do that. Thank you.

CLINTON: Great. Thank you.

"American Morning," CNN, 11/18/2004

I spoke with the former first lady turned Senator Hillary Clinton about the library and some other hot political topics earlier on AMERICAN MORNING.

(BEGIN VIDEOTAPE)

SEN. HILLARY **CLINTON** (D), NEW YORK: This was a real labor of love for Bill. And he started working with the architects about, oh, I guess six years ago. And was involved in every step of the way, giving his ideas about not only how it should be designed, but what it would look like, what the meaning of it would be, and it is just like Bill Clinton.

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(END VIDEOTAPE)

O'BRIEN: That was Senator **Hillary Rodham Clinton**. We chatted with her a little bit earlier today.

"Today," NBC, 11/18/2004

On CLOSE UP this morning, the opening of Bill Clinton's presidential library. Senator **Hillary Rodham Clinton** will take part in today's dedication ceremony.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Katie.

COURIC: I know a little less than four years ago you and President Clinton left the White House. Do you think it's too close to his administration to be starting to look at his legacy without the benefit of more time and perhaps perspective?

Sen. **CLINTON:** Oh, I think that's right. But what this library and the museum will do is, you know, to give a first draft of history to not only the many, many people who will come to visit, but to scholars and researchers. Bill will open up his records earlier than the law requires because, just as the library behind us is open and transparent, he wants historians as well as the general public to see the facts, draw their own conclusions. And it is just such

a stunning building, Katie. I hope you get to see it sometime. I--I was just overwhelmed when I saw it for the first time totally completed yesterday.

COURIC: Meanwhile, I know it will house the largest presidential document collection, some 80 million pages. And there is an area even dedicated to what happened during your husband's impeachment. That said, some of his detractors are actually planning a counter-library in Little Rock with a satellite office in Washington, DC. What do you make of that? And is it disappointing for both you and your husband that his detractors and critics continue to pursue him?

Sen. **CLINTON:** You know, I have--I have really no idea why the obsession continues, but that's fine. It'll just create even more commercial activity and interest here in Little Rock, which is part of the reason Bill wanted to place the library here. But the real story of this library is about the peace and prosperity of the eight years of the Clinton administration, about a president who was always thinking about putting people first. And as you go through the exhibits and you see and are reminded of the incredible progress we made as a nation--the number of people who, you know, were lifted out of poverty, the number of people who got jobs, the work that was done to ensure children for health care--on and on. It is a reminder of what we can do when we have the kind of leadership that really does think about tomorrow and put us on a course for a better future that lifts everybody up.

COURIC: I'm just curious, do you have a favorite exhibit at the library yourself?

Sen. **CLINTON:** You know, I have just been overwhelmed. I--I like all of the exhibits, but I have to say there's a--on the second floor of the exhibit space there's some wonderful photographs behind the scenes of, you know, Christmases at the White House. My inaugural gown is there. Another beautiful dress my friend Vera Wang made for one of the state dinners is there. And there are all these funny pictures and gifts that people from around the world have given. As I walked through the library yesterday, I mean, there were moments when I teared up and then there were moments when I was just laughing hysterically. It--it is just an extraordinary capturing of everything about those eight years. And, like my husband, it is energetic and spirited and expansive and open and welcoming. And, as you can tell, I am so excited about this day finally coming.

COURIC: Let me ask you about the Democratic Party, if I could, Senator Clinton, because I know a lot of Democratic leaders will be there for the dedication, and certainly there will be a lot of discussion about what happened in the last presidential election. How do you think the Democrats miscalculated, if they did? And how can the party be retooled, in your estimation?

Sen. **CLINTON:** Well, I think we have to get back to basics, Katie. I think that we didn't do as good a job as we should have in, you know, making clear that we had new ideas, that we had better ideas on everything from homeland security to health care. That we had, you know, strong values that are in keeping with what really made America great over 215 years. I think we need a conversation because I--I don't believe that we should be a divided country between red and blue and any other divisiveness. You know, people in red states and blue states love their children. They get up every morning and go to work. They--they go to church, or they pursue their, you know, recreational interests and they care about what's important in their lives. And they want to be good Americans and good citizens. And we ought to start having a conversation where we really get people to talk across those divides.

COURIC: Meanwhile, I know you've announced your desire to run for Senate in 2006, but you haven't ruled out a run for the White House in 2008. When do you think you'll be able to make a decision on that?

Sen. **CLINTON:** You know, I'm not thinking about that. I'm thinking about running for re-election. I love being in the Senate. I think the work that we're going to have to do is, you know, rather daunting. You know, not only what the president's put on his agenda--issues

like tax reform and Social Security, which I believe we need a vigorous debate about and I intend to be right in the middle of it--but, you know, the best way to fight the war on terrorism and whether we're doing enough on homeland security. So I'm--I'm looking forward to getting back into the work of the Senate and then campaigning for re-election.

COURIC: Do you think the Republican Party would be celebrating if you were the Democratic nominee because you are such a polarizing figure, and perhaps they're hoping that--that you will get the nod?

Sen. **CLINTON:** Well, I'm not thinking about that. But of course we have a president who's quite polarizing and very successful, I might add. I think what's important is what you stand for, what your convictions and values are, what your plans and priorities are, and how well you connect with the American people. And I'm not thinking about anything other than being a--you know, the best Senator I can be for New York, but also thinking about what we know of the legacy of the Clinton administration. We got a lot of things right in the 1990s, and I'd like to get back to Clinton economics, for example, which I think were smarter and better for everybody in the country. Get away from the deficits that I think are going to...

COURIC: Mm-hmm.

Sen. **CLINTON:** ...slowly but surely strangle economic growth. All of those things. So I'm looking forward to today. We're going to have President Bush here, former President Bush, former President Carter, and about 30,000 people. And I hope that you and everybody watching this morning will make a trip. Come to see Little Rock and Arkansas. They're wonderful places. And come to see the Clinton library.

COURIC: Senator Clinton also working for the Arkansas Chamber of Commerce this morning. Before we go, how is your husband feeling--we only have a few seconds left--following his bypass surgery? I know he's lost a lot of weight. You told me at one point he was still tired. How's he doing?

Sen. **CLINTON:** Right. Well, one of the reasons I'm doing this this morning is because he is conserving his strength. He does get more tired than he ever used to. But he's doing fine, and I think, you know, a few more months he'll be better than ever. But today's a pretty excited and emotional day for him, and he's up for it. And I'm--I'm looking forward to the entire celebration.

COURIC: All right. Well, Senator Hillary Clinton.

Senator, as always, thanks so much. And enjoy the day.

Sen. **CLINTON:** Thank you, Katie.

COURIC: It's coming up on 7:14. Now here's Matt.

MATT LAUER, co-host:

All right, Katie. Thanks.

"Larry King Live," CNN, 11/18/2004

LARRY KING, HOST: Tonight, Hillary Clinton. Her first live, primetime interview since the election. It's in Little Rock, Arkansas. We're here for the William Jefferson Clinton Presidential Center which opens tomorrow.

Senator **Hillary Rodham Clinton** next on LARRY KING LIVE.

After we deplaned this afternoon and came up that little road from the airport and see that center lit up tonight, what a -- and we had a little private tour. You must be flipped.

SEN. **HILLARY RODHAM CLINTON**, (D) NEW YORK: I am so proud, Larry. And my husband's worked on this now for, oh, about 6 years. And he's been involved in every aspect of the design and planning. And it exceeded my highest expectations.

KING: It's beautiful. Hands-on, right?

H. **CLINTON**: Very hands-on. What you know, what is so important about it is that, No. 1, it's a beautiful building, as you saw. And it's a metaphor. It is the bridge to the 21st Century, which of course was his great slogan when he was running.

And it also is open and airy and light. And it kind of conveys the sense of openness in our government. And then inside, someone said today it was the first museum of the 21st Century. It's so technologically advanced. Literally you can go, as you saw today...

KING: Push buttons and get everything.

H. **CLINTON**: Get everything. I mean, if you want to know what happened June 1, 1997, you punch the button. If you want to know if Larry King is in the library...

KING: I'm in, interviews, dates and schedules.

H. **CLINTON**: They're all there. It tells the story. The full comprehensive history of the Clinton administration. And it's both moving and exciting and informative. And I just could not be happier.

KING: You're going to have some opening here tomorrow. You've got President Bush, former President Bush, President Carter, Gerald Ford a little under the weather.

H. **CLINTON**: Right. Unfortunately.

KING: Two former presidents -- 3 former presidents with your husband. The current president. You're going to have ceremonies.

H. **CLINTON**: Right. We're going to have heads of state, former heads of state. Oh, it is just an overwhelming event.

But I think that tomorrow is especially important, because it's one of those rituals in American politics. You know, we just went through a very difficult and divisive election, but we're all going to be there together. Two Democrats, 2 Republicans, talking about the future.

KING: Almost half the Congress.

H. **CLINTON**: There's a huge number of senators and Congressmembers coming. And what I like is the symbolic aspect of it, because I remember when Bill was president and we went to former President Bush's library opening in Texas. There's just something very reassuring that despite our differences, no matter how partisan times can be, that we all remember that we're all part of this history. We have to do the best we can.

KING: We're going to back to it a little later.

First, how is the president?

H. **CLINTON**: Well, he is doing fine.

KING: We're in the same club.

H. **CLINTON:** I know you are. And you remember that you gain your strength steadily, but slowly. So I think he'd be the first to say he's not back up to 100 percent.

But his doctors say he's doing fine. He certainly is feeling well. But he just doesn't yet have that incredible Clinton tirelessness that I've known for 31 years.

KING: Is he revved up for this?

H. **CLINTON:** Oh, he's so excited. And he's just really gratified. I mean, so many people contributed. There were over 100,000 contributors to the library. There are people who are coming from all over the world to be here. And it is his effort to try to really keep the conversation going about what sort of country we want to have. That's what he believes in. That's what he loves.

KING: He saves everything, right. Because I think every letter ever written to President Clinton is here.

H. **CLINTON:** I think it's darn close. In part, because he became president at the very beginning of the information age -- e-mail.

KING: Cell phones boom.

H. **CLINTON:** Exactly. When bill was elected there were I think 50 sites on the world wide web. By the time he left there were, 50 million sites. And so the explosion in information, and the archives, which is the formal repository of all of the documents and the artifacts is just overwhelmed by everything there. So we're going to have a lot of rotating exhibits.

KING: You toured it with Chelsea today. What does his daughter think?

H. **CLINTON:** She loves it. She is much more attuned than I am to the technology. So she thought the way that the exhibits were presented -- well, you saw some of the almost ticker tape descriptions of what was happening, the videos everywhere.

KING: It's very 21st Century.

H. **CLINTON:** Very 21st Century.

KING: When everything's covered, the impeachment is covered, Lewinski is covered. I mean, they don't -- you get a full history of Clinton, warts and all.

H. **CLINTON:** I like to think, all of the good progress that was made in those 8 years. What he really stood for, the peace and the prosperity, putting people first. What everyone wants to say about my husband, everybody knows that he really deeply cared about the American people and he did try to do what he could to improve their chances in life.

KING: We'll get back to the library in a while.

Major story today in the New York Times. saying, in essence, Senator Clinton has decided to run for re-election in 2006 and a lot of key advisers are saying don't do that, because if you run for Senate in 2006, you can't run for the presidency in 2008, it's too close together. What will you tell the people of New York? So let's hear it from the horse's mouth.

H. **CLINTON:** Well, I have said I'm looking forward to and intending to run for re-election. I do provide a lot of copy, Larry, as you know. People are constantly speculating about me and my life.

KING: So, help us.

H. **CLINTON:** I love being the senator from New York. You know, it's the greatest place in the world. There's no place like New York.

And I have enjoyed the work there. I now think we're going to have some very difficult decisions ahead of us. I want to be part of making those decisions.

KING: So, you want to go back to the Senate?

H. **CLINTON:** I love being in the Senate.

KING: Would you like to be president? I mean, that's a fair question. You could say, I don't want to be. I think about it. H. **CLINTON:** You know, I'm not focused on that. I'm focused on what I'm doing and how well I can do it. That will take care of itself sometime.

KING: This is a good if question.

H. **CLINTON:** A good if.

KING: Assuming now you're going to run for the Senate, would you tell the people of New York you'll serve 6 years?

H. **CLINTON:** You know, I haven't gotten that far. I don't have any plans other than running for the United States Senate. And I'm looking forward to getting out there and talking about my record.

KING: When does that campaign start?

H. **CLINTON:** Well, in these kind of days...

KING: Next week?

H. **CLINTON:** Yes. I have to raise a lot of money. I'm fortunate in that I have wonderful supporters throughout New York and around the country. So they'll be helping me. But I have a lot of money to raise. I want to be in a position to withstand whatever challenge might come my way.

KING: Do you have any idea who might the opponent be?

H. **CLINTON:** I don't, Larry. You know, that's something -- I don't have any control over, so I don't think about it. That's up to the other side.

KING: You don't think, Giuliani, Pataki?

H. **CLINTON:** I don't have any inside information. That's not something that they share with me. So, I'll just wait and see who files against me.

KING: How devastated were you by the Kerry defeat?

H. **CLINTON:** I was very disappointed. I really believed that John was going to do it. He ran a strong campaign. He worked so hard throughout the country. I did everything I could to help him, as so many others did.

We came up short in the White House and in the Senate. And I think that means we've got to take a hard look at what we stand for as a party and how we present to the American people both the values and the priorities that Democrats are willing to fight for.

KING: When did we become a red and blue nation?

H. **CLINTON:** Well, I regret that we are. I don't like to see it that way. You know, we're sitting here in Little Rock, Arkansas. And I have so many friends here, so many wonderful experiences. KING: A red state.

H. **CLINTON:** Now it is. It didn't used to be. It's gone back and forth in the last 8 elections. Five times for the Republicans, 3 times for the Democrats.

I think so much of it depends upon the candidate and the message, the campaign that's put together. Whether you connect with the American people. And that cuts across all the lines.

There should be an effort to try to bring the country together again. I don't accept the fact that it's red versus blue. You know, in New York, we have red counties, 40 counties in New York voted for President Bush this time. You know, I work as hard as I can in every single county in the state. I try to represent everybody to the best of my ability.

And I think that's what we should do when we run for office. I don't think we should write off or ignore any part of the state. I don't think we should do that in the country.

So I'm hoping that maybe we can get back in the years to come to nationwide elections where we talk to the entire nation, where we travel through the entire country, and where we have a conversation about what matters.

You know people in red states and blue states love their children, care about their futures, worry about their jobs, wonder about their health care and definitely are concerned about the values that surround us. So I think we ought to have an open national conversation about this.

KING: Would you abandon the electoral college?

H. **CLINTON**: Well, you know, I think the electoral college is running afoul of our one person, one vote. I think realistically, it's unlikely ever to be abandoned. But...

KING: If you could wave a wand, would you?

H. **CLINTON**: You know, I'm inclined to think it may have outlived its usefulness at this point.

KING: We'll take a break and be back with Senator **Hillary Rodham Clinton**. We're at the beautiful -- and the only way you could term it, it's a magnificent structure, the William Jefferson Clinton library in Little Rock, Arkansas on the banks of the river, right next to the -- we're broadcasting from the old train station that was the Rock Island line. It's a mighty good line. That was a song once. Big hook. Do you remember that song?

CLINTON: I do.

KING: The Rock Island Line is a mighty good line. We'll be right back, don't go away.

(BEGIN VIDEO CLIP)

BILL **CLINTON**, FORMER PRESIDENT OF THE UNITED STATES: I wanted to make a contribution to the development of this city that I love so much. I also wanted the library to be in the middle of America, where people from all walks of life and all states passing through on the interstate, landing on the highway, coming here to conventions, doing whatever, could see what it is like to be president.

(END VIDEO CLIP)

KING: He could have chosen other places, right? there were offers?

CLINTON: A lot of offers. But there wasn't any real choice in his mind, other than Arkansas. You know, this is a place that nurtured him and helped to raise him. It's a place that let him be their governor for all those years. And he couldn't have become president without the people of Arkansas standing behind him. I was thrilled when he decided to come here. And it's a beautiful location, as you've seen, right along the banks of the Arkansas River. And what I am especially pleased about is that I heard today, you know, that somewhere between \$800 million to \$900 million in economic development has already resulted because of Bill's decision to put the library here. And it's just -- I was at a big event today with all the former first ladies of the state of Arkansas who are still living. And you know, there are such wonderful memories. This is where we were married, this is where our daughter was born.

KING: You drove a car here.

CLINTON: I did. I used to drive a car here, I shopped here, I was sort a normal person, hard to believe.

KING: You have never voted in the Senate for a Supreme Court nominee.

CLINTON: That's right.

KING: We would imagine the next four years, you may have a few.

CLINTON: It may be.

KING: What will be your parameter? Must they be pro-choice? Is there a litmus, as you would vote?

CLINTON: I am going to take them as they come, each individual person. That's what I've tried to do with all of President Bush's nominees. I've voted on, my goodness, you know, more than 200. And we've confirmed more than 200. We have turned back a relative handful, I think maybe 10 of the nominees. So I think that the percentage is very much in favor of the process. There are those who want everything, but that's not the way the system should work. I mean, this is a system of compromise, where people have to be assured that we're within the bounds of whatever the mainstream is. And so I have voted in the last four years for judges who are certainly not in agreement with me on a lot of major issues but who I thought would be fair and judicious, would not allow whatever their personal opinions were to interfere with the kind of decision-making that will inspire confidence in the judiciary.

KING: You'll vote that same way for...

CLINTON: I will certainly vote that same way. And I will look at each individual nominee and weigh that person on the merits and then make a decision.

KING: Would you participate in a filibuster if that occurred?

CLINTON: I have. I have already. Because I think it's the duty of a senator -- you know, what happened in my husband's eight years was that the Republican Majority often wouldn't even let a well-qualified nominee come to the floor of the Senate. And so they would keep them bottled up in committee, they would never give them a hearing, they would never give them a vote in the committee, which I thought was very unfortunate. But unfortunately for us, we have very few tools at our disposal to make sure that everything is fully debated and the views are heard. And oftentimes, a filibuster is there for a purpose, which is to have the minority exercise its right to have a very strong view about what advise and consent means under our constitution.

KING: What do you make of what's going on with cabinet replacements?

Let's start with Rice for Powell.

CLINTON: Well, it's the president's prerogative. He has won his second term and, he gets to choose the people he wants. I think that Secretary Powell was a very significant influence within the administration during the first term. And although he didn't win very many arguments, at least counterpoints were heard in the highest level of debate. I don't know that that will happen now. I have a great deal of respect for Dr. Rice. She's an incredibly intelligent, devoted public servant. But it's very clear that she's not going to be disagreeing with the president or the vice president or the secretary of defense.

And I think debate and even dissent is very healthy in an administration. Otherwise, you do develop group think. We got into problems with that around the weapons of mass destruction and the Iraq war, where group think took over. And I don't think that's the way that you arrive at the best decisions.

KING: What do you think about General Ashcroft leaving?

CLINTON: Well, I think that that was probably an important step. Because he certainly did not have the confidence of a lot of people in the country on important issues that concerned civil liberties, individual freedoms. And I'll look forward to hearing more about what Mr. Gonzalez will bring to that job.

KING: What committees do you sit on?

CLINTON: On the Environment and Public Works Committee, on one that's called Health, Education, Labor and Pensions, and the Armed Services Committee. So I have my hands full with three very significant assignments.

KING: Armed Services being the most?

CLINTON: Well, it has taken up most of my time, because the work has been overwhelming. We have not only had the usual hearings you have to have with respect to what's going on in the Defense Department, but because of the wars in Iraq and Afghanistan, and certainly the prison scandal at Abu Ghraib, we've had a lot of extra hearings and the work has been intense.

KING: What do you make of that shooting in Iraq?

CLINTON: I don't want to jump to any conclusions. I think it's appropriate there is an investigation, as there well should be. You know, it's easy to either jump to someone's defense or to the side of prosecution. But I like to see what the facts are and I'm going to wait until the report's finished.

KING: And your committee will be involved in testimony? Will it?

CLINTON: We'll see. I think that there's an ongoing investigation. We certainly will hear the results of that investigation. But it would probably not be appropriate to have any hearings about it until we get the facts.

KING: We'll be right back with Senator **Hillary Rodham Clinton**, Democrat of New York, on the occasion of her husband's library opening officially tomorrow.

We took a tour of it earlier. There you see it. By the way it's lit so that ultraviolet rays during the day of the sun do not get through. That's why it is very brightly lit. Architects have praised it widely, except one critic in the "London Economist" who said it looked like a recreational vehicle. Well, even that ain't bad. We'll be right back. Don't go away.

KING: Here's this library. Official opening is tomorrow. William Jefferson Clinton. We're looking forward to his return to this program. He was on the night he went into the hospital.

H. **CLINTON:** That's right, I remember. I was sitting there when he called you. And I so appreciate the work that you do through your foundation. And one of the reasons why Bill's not here and I am is because he still just doesn't have his full strength back and he wants to sort of conserve his strength for tomorrow, which is such a big day. But you and I were talking before we went on the air about how you just really have to work through this. Then eventually you get back to your full energy. KING: You feel better every day if things go right.

H. **CLINTON:** You do, every day you feel better. But I think he wants to do some work on behalf of heart disease too.

KING: I want to get back to the library but one other thing, it was printed -- that could be wrong -- that you, using your heavy clout, convinced Chuck Schumer to not run for governor, getting him better posts in committees so that Eliot Spitzer could run for governor. True? You don't even have to give me a long answer.

H. **CLINTON:** No. Chuck made up his own mind. I'm delighted he's going to stay in the Senate. He's doing a great job. He has for years.

KING: You didn't work behind the scenes at keeping him...

H. **CLINTON:** Well, I tried to persuade him that it would be great for the Senate. But he made his own decision.

KING: You're going to support Eliot Spitzer?

H. **CLINTON:** Well, I don't support anybody in a primary. But if there's no primary, I will be an enthusiastic supporter.

KING: You have a place in this library. What do you think of the Hillary part?

H. **CLINTON:** Well, I'm thrilled. It's very gratifying to have the work I did on behalf of health care and women and children and education and adoption, all the things that I cared about, highlighted in the library. And it is also exciting to see the second floor of exhibition space, about some of the behind the scenes of the White House. The little stories about our time at Christmas. Or the place settings of the china that I helped to design for the millennium, my inaugural gown from 1997. The kind of personal touches that people love to see.

And the oval office in this library is the exact replica. It's the first time they've ever had it exact size. So people who have never been to Washington, would never get to go to the Oval Office, will get a chance to see it.

KING: How about students?

H. **CLINTON:** I can't wait for students to be in this library. Because there's something for every age. There's a wonderful series of just the exhibits that are funny, the kind of gifts, the swords that come from different heads of state around the world to people who can really delve into it for research papers.

So every age of student is going to learn something in this library.

KING: What didn't you like about it?

H. **CLINTON:** You know, having been through it today, there is absolutely nothing I've found that I don't like.

KING: Really? Did you sign off on this by the way?

H. **CLINTON:** I certainly offered my suggestions. But this was such a labor of love for Bill. He labored over it. He offered so many ideas to the architects and to the designers. And he knew every nook and cranny about what was going to be in the library. I didn't have that level of involvement.

So when I saw it today, obviously I had an idea of what I was going to see. But it was so much more. It was -- it had a vitality to it, an energy that I just found infectious. I was walking through it, and I had tears in my eyes in some places, and I was bursting out laughing in other places. It just came alive for me again.

KING: What does a library do for, if anything, for a legacy?

H. **CLINTON:** I think that for Bill, it gives him a chance to do the official part of it, which is to turn his papers and artifacts over to the country, to take possession of them through the National Archives.

KING: And the country takes possession tomorrow. It belongs to the United States tomorrow.

H. **CLINTON:** Absolutely. Now he had to raise the money privately to build the museum part of it. And it really stands for what he cares about in governing and in politics. And it talks about the issues that he thought were important to the country and the way he kept score. The way he kept score is, were more people working when he left than when he started? Were we in better financial shape when he left than when we started? Did more people find their way out of poverty than when he started? All the things that really matter to improving the lives. That's what he thinks politics is about.

But this is only part of his legacy. Because he's so young. And this is also not only the place where the library and the museum are situated, but as you say, right here we're in the Clinton school of public policy. We're going to be giving degrees to people who want to become better public servants. He's going to be running his foundation out of the library here and out of his office in Harlem in New York. He's going to continue the work on

HIV/AIDS prevention and treatment around the world, and racial and religious reconciliation, and economic empowerment.

So I don't think that this captures his entire legacy. It takes time, both for history to look back, but also he's got a lot of work he still wants to do. He's going to remain very active here at home and around the world.

KING: What does he want to do more than that, more than a foundation and an office in Harlem? Does he have larger plans?

H. **CLINTON:** I think, Larry, he really wants to make a difference in the world. He wants to continue the work he did in Northern Ireland, in the Balkans, in the Middle East. He's already met with some former and present government officials, heads of state and others just in the last two days here in Little Rock. Talking about what they can do together. Because people come to him and they ask him for advice. They ask him for his ideas about solving problems. He wants to save lives with diseases like HIV/AIDS. He really cares passionately about the work of the foundation.

KING: When President Bush was on this show a couple of months ago, we talked about how gracious he was when the official portrait was unveiled in the White House. And he said that he has terrific admiration for president Clinton, his personality and his verve. Do you think that he might be called upon to key areas maybe help this administration at times? And would he take it?

During the campaign, President Bush said that he would like to think of ways to call on Bill. And I know Bill would be more than willing to help. Both because he thinks that when your president asks you to help, you say yes. And secondly, because he'd like to provide whatever assistance because he knows more than the rest of us what that job is like. Really, the pressures on whoever the president is are so enormous. They are almost unimaginable for most Americans. I've seen it up close. You've seen it closer than most people. You know what a toll this job takes on any person. So if he were asked, I know he would be more than willing to help.

KING: We'll take a break, come back with our remaining moments with Senator Clinton. And then Mack McLarty, the former White House chief of staff, only went to kindergarten with Bill Clinton, will be with us. Ann Richards, the former governor of Texas. And historian Michael Beschloss will look at the life and times of the former president. Right back with more moments with Senator Clinton after this.

KING: We're back on LARRY KING LIVE. We're in Little Rock. Another shot of the President Clinton Library which opens officially tomorrow. They're forecasting rain by the way.

H. **CLINTON:** Oh, no, can't rain.

KING: Well, make a call as I said. Do you think the impeachment thing was handled tastefully and well?

H. **CLINTON:** I do. I do. I've told everyone that the history was going to be full and accurate. Nothing's left out. Obviously, not everything can be shown. But there's going to be access to all of the documents. In fact, Bill is going to be making his documents accessible even earlier than legally required.

KING: He is?

H. **CLINTON:** He is. Because he really thinks it's important. That's one of the things the library really stands for. It physically stands for openness with all the glass and the light. But he wants it to be a place where people come and really study. And everything's going to be available. KING: A couple of other things. Senator Harry Reid. What do you think about him?

H. **CLINTON:** Wonderful guy. I adore him.

KING: He's your new head.

H. **CLINTON:** He is. And I'm an enthusiastic supporter. Obviously I'm so sad for Tom Daschle, who's a wonderful, wonderful man and a great public servant. I only wish the best for him and his family. Harry Reid will be a tough competitor. He's fair. He listens. He'll get along wherever possible with the White House and the Republicans on the other side of the aisle. But he'll stand his ground. He's a wonderful human being.

KING: The death of Arafat. Make you hopeful?

H. **CLINTON:** I have to be hopeful. I cannot afford not to be hopeful. We have to hope that the Palestinian people will make a transition to new leadership and will look for a way to adopt a two- state solution so that the people of Palestine, particularly the children, have a brighter future. The Palestinian people are such an intelligent, creative, entrepreneurial people when they...

KING: Poets of the Middle East.

H. **CLINTON:** And when they leave the region and come to the United States or Europe, they're successful in every walk of life. They should be able to do that in the area where they are now living, without having to leave. But that's going to require new leadership. It's going to require the United States becoming engaged and making clear that we're looking for some resolution that guarantees security for Israel and peace for the people.

KING: Do you know why Arafat turned that deal down that your husband brokered with him and Barak?

H. **CLINTON:** I do not, Larry. I think that when the time came to be a statesman, he couldn't do it. He was stuck in a time warp that had passed him by. But he wanted to hang on to what was familiar. He did a great disservice to his people, in my opinion.

KING: Are you hopeful about the elections in Iraq?

H. **CLINTON:** I am. We have a long way to go before we can hold secure elections. And we need to hold elections simultaneously in all parts of the country. It would be very troubling if we left certain parts of the country out. So therefore, we have to provide sufficient security so that the Sunni population is able to vote along with the Shia and the Kurds. It is certainly conceivable that with the capture of Falluja and driving out the insurgents there we are closer to making that happen. But we still have a lot of work to do.

KING: What are you going to do tomorrow?

H. **CLINTON:** I am so excited. I'm going to enjoy every minute of the dedication. And I have the great pleasure of introducing my husband. And we will have an incredible ceremony with the former presidents, along with President Bush speaking.

KING: Will President Bush speak?

H. **CLINTON:** Absolutely. He will speak. And I remember very fondly when Bill and I went to the dedication of former President Bush's library. It was a wonderful occasion. There's a camaraderie, a collegiality among former presidents and present presidents and first ladies that I'm really looking forward to tomorrow. I'm looking forward to welcoming the Bushes to the library. There will be a lot of presidential family children. I've already seen Susan Eisenhower and Linda and Lucy Johnson, Caroline Kennedy will be there. I think one or both of the Nixon daughters will be here. There's a real sense of identity with one another. We've been through an experience as members of a presidential family that is unlike any in the world. And it's a great privilege. It's often hard. But the honor is just overwhelming.

KING: And of course you like the collegiality of the Senate.

H. **CLINTON:** I do. I like...

KING: It's a club, isn't it?

H. **CLINTON:** It is. And even though we have people with very strong opinions, and I would include myself in that category, we find ways to work together.

KING: Always good seeing you, Senator. Send our best to Bill. We look forward to seeing him soon.

H. **CLINTON:** Thank you, Larry. Thanks for coming.

U.S. SENATOR GORDON SMITH (R-OR) HOLDS HEARING ON INTER-NET DRUGS IMPORTATION, 1/26/2005

CLINTON: Well, thank you so much, Chairman Smith, but I would just ask unanimous consent to submit my opening statement.

SMITH: Without objection.

CLINTON: I have to express my delight on joining this committee and serving with you and Senator Kohl. And I look forward to the work of this committee.

I must confess that with the low height of the chair and the lights going off, I thought maybe I was in a test about how quickly I'm aging...

(LAUGHTER)

... you know, whether I can get up out of a low chair and see what's going on, which is something that, you know, I guess if that goes with committee membership, I'll do my best.

(LAUGHTER)

(UNKNOWN): It does.

CLINTON: It does?

(LAUGHTER)

And I guess I would also ask unanimous consent that I, too, have a chair pillow next time too, Senator Craig. I've changed chairs, so I'm fine.

SMITH: We need to add some pillows next time.

CLINTON: I want to thank both Senators Smith and Kohl for convening this hearing, because it is such an important topic. And the issues it raises really do go to the heart of the expectation, as Senator Craig eloquently stated, that Americans will be able to trust their prescription drugs.

On the other hand, it also goes to the point that Senator Nelson was making, which I think Secretary Thompson, in a sense, conceded last year when he said that legislation for drug reimportation was inevitable. And it will happen either under our control or out of our

control, after a lot of damage has been done because of the breakdown in the system, because of Internet purchases and the like.

So I really commend you for holding this hearing, because we need to shed a lot more light on this matter and try to come to a consensus about how we intend to proceed.

I appreciate the surgeon general being here and also for your leadership on the HHS Task Force. As I read the task force report, I think that it clearly states the issue.

And the conclusion of the task force members is that the task force believes that access to drugs that are safe and effective, as well as affordable, is a critical policy goal and that all approaches to achieving this challenging goal should be explored thoroughly. And I very much agree with that.

Now, I have worked, with several of my colleagues, in introducing a framework for implementing safe importation of prescription drugs. Senators Dorgan and Snowe have taken the lead on this.

Does the task force or does HHS have a position on the Dorgan- Snowe reimportation bill?

CARMONA: Senator, from the standpoint of our task force, we took no position on any bills. Our goal was to answer the questions and provide you the best information for you to make your decisions.

But I think the statement that you read truly reflects the task force in a unanimous way, that, you know, we really understand the dynamics here and the complexity of this issue. But every and all opportunities need to be explored.

CLINTON: Well, General, I would appreciate your reviewing the Dorgan-Snowe legislation. Because what we attempted to do -- and, really, Senators Dorgan and Snowe deserve the credit for this -- was to deal with the concerns outlined in Secretary Shalala's letter that you referenced earlier.

Because when the Congress did pass legislation asking that reimportation take place, President Clinton tasked Secretary Shalala with responding to that.

CARMONA: OK.

CLINTON: And her December 26, 2000, letter reflects some of the difficulties that tied up the negotiations. There were a lot of concerns on the part of different members of Congress, with different stakeholders at the table.

And what the Dorgan-Snowe legislation tries to do is to deal with the labeling issue by requiring that commercial shipments of drugs to importers be labeled with FDA-approved labeling; dealing with the discrimination issue by making discrimination against foreign distributors and pharmacies illegal, and imposing trouble damages; dealing with the timing issue without having a sunset.

Because one of Secretary Shalala's biggest problems with the legislation that was being proposed back in 2000 is that it was sunsetted. So that doesn't provide certainty to anyone. I mean, part of our job legally, legislatively, regulatorily is to look at legislation, figure out

how it's working and make improvements or solve problems if necessary. But if you put a sunset on it from the very beginning, that doesn't provide much of an incentive.

And finally, providing sufficient funding, an issue that is a critical one, as to how we would police such a system. And in the Dorgan-Snowe legislation, there is a requirement that each importer and exporter pay a one-time registration fee of \$10,000 and semiannual inspection fees, capped at 1 percent of the total price of drugs, so that we can use those dollars to enhance the inspection process, hire the necessary people.

We're going to spend the money one of two ways: We're going to spend the money going after counterfeiters, trying to deal with Internet problems, as Senator Wyden pointed out, or we're going to spend the money trying to get a system in place that we then can regulate.

So I would appreciate very much, General, that you provide a response with respect to the Dorgan-Snowe bill. And I look forward to the new secretary of Health and Human Services also working on this issue, because the inevitability of it is clear to all of us, the problems are clear to all of us. I think that there are enough people of good faith and intelligence to figure on how to deal with this.

So I thank you for taking on this task force, but we need now to move beyond the inevitability and the belief of the task force members to actually find some solutions.

CARMONA: Thank you, Ma'am.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON DEATH BENEFITS FOR SURVIVORS OF MILITARY PERSONNEL, 2/1/2005

CLINTON: Thank you very much.

And I want to thank the chairman for holding this hearing. I think it's a subject that is, not only very important, but needs to be addressed. And I'm delighted we are doing so.

Last week, I joined with Senator Chuck Hagel in introducing legislation to raise the survivor benefit from \$12,000 to \$100,000. And I'm delighted the administration will be making such recommendations.

The legislation we introduced would have been retroactive to November 2001. And I think that it is very important that it be so.

I've also joined the efforts led by Senators Sessions and Lieberman.

These are reforms that, I think, send the right signal about the sustainability of service and the respect and regard we have for those who do serve.

Several other issues have been raised in this hearing. And I appreciate very much Chairman Warner's concern that we address all of them. Because I think that this gives us an opportunity to do so.

General Cody, I appreciate your comments about following up on the soldiers who have been injured.

I recently had occasion to write to the secretary of the Army with respect to a case that came to my attention in New York, of specialist Loria (ph), who is an amputee, who was at Walter Reed and was presented with a significant bill and was going to have his pay docked.

And in our efforts to look into this, we discovered that there were at least, I think, 19 other soldiers in a similar situation.

And I understand a task force was crated at Fort Hood.

I have not yet received an answer to my letter to the secretary. And I would very much appreciate receiving that, to look at this issue of payment and debt arising out of service and service-connected disabilities and how we best treat those.

CLINTON: Another issue that I think is significant, which has been alluded to today, is this question about military insurance. There was a series of articles in the New York Times last year detailing how many servicemembers were being taken advantage of by unscrupulous insurance agents, who were selling soldiers insurance that offered high costs but little return.

And, Mr. Chairman, I'd ask unanimous consent to place those articles in the record.

SESSIONS: Without objection, they will be made a part of the record.

CLINTON: Thank you.

Often these agents were able to get on bases with the tacit approval of base commanders. And often the insurance companies employed retired military officers who conveyed a real sense of authority.

And the service members were convinced to sign up for policies that required large payments to be taken out of their paychecks.

Last Congress, Senator Enzi and I introduced legislation to ban periodic payment plans, which were the most egregious of these policies and to require better record-keeping and a registry of unscrupulous agents.

Our companion legislation did pass the Congress before adjournment. And we planned to reintroduce that legislation this Congress. And I would commend that both to the committee and also to our witnesses, because I think it's an important piece of the puzzle. Because if the insurance is going to be available, then we owe it to the service members and their families that it be insurance of the highest integrity.

Another piece of this is the financial education issue. And I think that this is a concern, because although there are programs which you have detailed about educating some of our

servicemembers about insurance policies, about car insurance and the like, it is important that we make sure we have uniform education across all services and all bases.

Because from our checking on this, it's quite uneven. Some commanders take it more seriously than others. Some feel that well, you know, you're old enough to be in the military, look out for yourself. But when you're 17 or 18 or 19, there is still a lot to learn.

And I think that part of our obligation, not only to our servicemembers, but to their families, is to make sure that, as they are becoming acclimated, getting used to being in the service, getting, maybe for the first time, used to being away from home, that they are not taken advantage of at the very moment they have signed up to serve our country.

I'm also concerned about the payday lending abuses that are going on around our bases.

CLINTON: Another issue that I'd like to have included in this overall look that we are taking -- and, Chairman Warner, I'd be very interested in working with Senator Collins in looking at this broader range of insurance abuses, payday lending abuses, just so we have a handle on what's going on and what we might do to try to prevent that.

WARNER: Senator, that will be done. You two are a great team. I'm very conscious of that. It's just a continuation of that you've been doing since the first day you joined the committee.

CLINTON: Thank you, Mr. Chairman.

And finally, we have in the audience, representatives of the Gold Star Wives of America. I have been privileged to develop a very close working relationship with both the Gold Star Wives and the Gold Star Mothers.

And with respect to some of these issues that we're asking that you look into, and particularly, Secretary Chu, with respect to the charge that the chairman gave to you, I think it would be useful to include the observations and experiences of the Gold Star Wives and Mothers.

Some of the concerns about the casualty assistance officers that have been raised with me by the Gold Star Wives and Mothers really need to be brought to your attention. Because I think this is a wonderful opportunity to improve what we're already doing and to remedy any of the problems that are seen firsthand by those who are really on the front lines of survivors, because they are the ones who receive that knock on the door.

And, Mr. Chairman, I'd ask unanimous consent to submit the statement of Gold Star Wives of America also for the record.

SESSIONS: Without objection, it will be made a part of the record.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQ/AFGHANISTAN MILITARY ACTIVITIES, 2/3/2005

CLINTON: Thank you, Mr. Chairman.

I apologize for not being able to be here in person for the testimony of the witnesses, and I thank them for appearing before the committee.

I, too, want to express my profound admiration for the Iraqi people and their desire to have their voices heard through the ballot box. I think no one could see the pictures coming out of Sunday's election without being very moved by the notion of ordinary Iraqis braving threats, risking lives, even losing their lives, in order to vote.

And there is no doubt it could not have happened without our men and women in uniform being there to guarantee that vote going forward.

CLINTON: And they deserve our equal support, respect and gratitude.

And I don't think that there's any argument about the extraordinary display of freedom and the move toward democracy being in the short-, medium- and long-term interests of humanity and the United States. But, as is clear from the questioning, there are lots of concerns about the direction that we have headed and some of the decisions that have been made.

And there has been relatively little oversight. This committee, I think, is notable in the Congress for performing more oversight than anyone else and in a bipartisan way, thanks to our chairman and our ranking member.

But I think vigorous oversight and hard questions are, you know, par of democracy. So I hope that we can keep focused on what are the real issues that we need to address going forward.

To that end, I just have a couple of questions and then I'd like to ask unanimous consent to submit others for the record.

SESSIONS: Yes.

CLINTON: Mr. Secretary, we are going to be receiving a supplemental and many of us have argued, as you know, that we need a larger Army. And, indeed, the Army is currently using temporary measures paid for through supplementals to pay for a larger force in order to meet our needs in Iraq.

We obviously have a strain on our active-duty as well as our reserve components. That's an issue that is not going away. Every day we wait to deal with it means it's going to take longer and be more expensive if the decision is made to permanently expand the size of the standing Army.

Is the Defense Department considering making the larger Army a permanent part of the defense budget? And will DOD be looking at the size of the overall force during its quadrennial defense review this year?

WOLFOWITZ: I think the answer to both questions is yes.

In fact, in the five-year defense plan that will come with the '06 budget, you will see that we will bring the cost of this larger Army into what we call the top line in our regular budget starting in fiscal year '07 and that we've had to make some very considerable adjustments in the rest of the defense program in order to pay for that.

We need to fund it through supplementals in this fiscal year, next fiscal year, because that's not the kind of change you can -- it's like trying to turn a tanker on an dime. But we're not trying to hide the cost, either.

One of the reasons we're very pleased that we've put out the FY '05 supplemental number along with the '06 budget request is so the Congress can see that those costs will be going forward.

WOLFOWITZ: But, yes, we think the only prudent thing at this point is to plan for that as a permanent change. Permanent changes, of course, mean permanent bills, and that's how we have to adjust the defense program.

And definitely, I think, in the quarterly annual defense review the question of whether this increase is the right one is one of the questions that we'll be addressing.

General Myers, do you want to add to that at all?

MYERS: I would only say it's -- and I think Senator Clinton knows this well -- it's more than just the people. There's equipment needs as well. And that's why, as you'll see in the budget submission, that the Army needs additional resources to do what they need to do in the future. And that's all wrapped in there.

CLINTON: Well, I think it is a very difficult decision. I grant that. But it's also a very important one for this Congress and the American public to grasp.

The budget implications, given the extraordinary deficit situation we're facing, are ones that have, in my view, very serious consequences for our long-term ability to sustain any kind of aggressive defense posture. So we need to start this conversation now and not do it in a piecemeal way.

Let me ask you, too, Mr. Secretary, can you clarify once and for all, is there any consideration being given to extending reserve component deployments?

WOLFOWITZ: I think you're referring to this issue of whether or not -- I mean, this question of I think a narrow interpretation of the law, this is the question of the two years.

CLINTON: Right.

WOLFOWITZ: And I think our very strong view is there's enough burden on reservists as it is, with the prospect of 24 cumulative months, and nobody should start saying, "Well, it's consecutive in the law." I think our policy is very clear.

CLINTON: So that is -- I can take that as a clear policy statement?

WOLFOWITZ: Yes.

CLINTON: All right.

WOLFOWITZ: And if I could add, too, on your point about the Army, it is important, as I think both you and General Myers noted. It's not just more people, but a major reorganization of how those people operate.

And we have a, I guess, typically opaque bureaucratic term called modularity. And what it really means is restructuring the Army so it's deployable in more small units.

And one of the things that does is it spreads the burden of these difficult deployments over a much larger portion of the force and makes it, I think, considerably less stressful on everyone.

MYERS: And the discussion includes the reserve component as well. I mean, it's going to be -- it's one total piece.

CLINTON: Well, I appreciate that and my time is up, but, you know, and I think -- you know, perhaps this is something for the chairman and the ranking member to consider -- but running parallel with these decisions, moving from supplemental to top-line budgeting, looking at the quadrennial review, it may be time to consider, perhaps, the Congress taking a look in a, sort of, Goldwater-Nichols, but it would be perhaps Warner-Levin, approach toward acquisition and purchasing rules in the Pentagon.

I think that, you know, we have so many tough decisions ahead of us. And I, for one, am not convinced that we've really done all we need to do legally to set forth a road map and, working with the Defense Department, to have a new approach, some new thinking, some 21st-century, on-time inventory kinds of thinking that we've done sort of from the back end, but in a more forward-looking way.

And that -- because we're going to face a lot of very tough decisions on this budget with respect to some of the reports we hear about decisions that have been made with respect to certain weapon systems. Taken out of context, they'll be great fodder for political battles; put into a broader context of what we're trying achieve that might or might not be the case.

But I think we need a new look at that.

"Wolf Blitzer Reports," CNN, 2/9/2005

BLITZER: She's a former first lady, northeast senator and Democrat. He's an Air Force veteran, southern senator and Republican. He also helped lead the fight in the U.S. House of Representatives to impeach her husband. But this political odd couple is now coming together to fight for benefits for the National Guard and Reserves. I spoke about that and much more with Senators Hillary Clinton and Lindsey Graham earlier today.

(BEGIN VIDEOTAPE)

BLITZER: Senator Clinton, Senator Graham, thanks very much for joining us here in the Russell Rotunda. Let's talk a little bit about the second class citizenship that you feel is now in effect for U.S. military personnel who are National Guard and Reserve troops.

SEN. HILLARY **CLINTON** (D), NEW YORK: Well, Wolf, about two years ago, Lindsey and I teamed up to try to do something about the conditions confronting a lot of our Guard and reserve members. We were concerned because so many of them didn't have health insurance so that when they showed up after being activated, they were not ready to be deployed because of health problems.

That the extra tempo requirements of service for our Guard and Reserve was putting a lot of strain and stress on them and their families. And so they were actually doing much more active duty work but the retirement age hadn't been adjusted.

So we've been making progress on that. And we're going to continue to push -- to try to make it a fairer situation for Guard and reserve members.

BLITZER: So Senator Graham, what specifically do you want, because a lot people hear the words "health care," "Hillary," "Senator Graham," and they're saying, what's going on over here?

(LAUGHTER)

SEN. LINDSEY GRAHAM (R), SOUTH CAROLINA: Well, I think Senator Clinton and myself want to make sure those who are fighting for this country are taken care of in a very reasonable, efficient manner. If you're a member of the Guard or the reserve, most Americans don't know this, you have absolutely no access to military health care.

A temporary employee working in our office has access to federal health care. Every part time employee of the federal government has access to federal health care except Guard and reserve members. Twenty percent of the Guard and reserve has no health care in the private sector. So what happens when you activate these people, a lot of them are unable to be deployed because they're not medically fit.

So we're saying allow Guard and reserve members to sign up for military health care. Let them pay a premium when they're in reserve and Guard status, like a retiree, so when they're called to active duty, they'll be ready to go to the fight.

And number two, to help these families, these families have suffered a lot for our country. And to provide them year-round health care I think would be the least we could do.

BLITZER: You have a bipartisan group of cosponsors, a wide spectrum. But does the Pentagon -- does the Bush administration support this, let's ask Senator Graham.

GRAHAM: They have actually come around, but they have followed us. They are worried about personnel cost, and we all should be worried about personnel cost. But let me tell you this. You can't do this war on the cheap.

If you're a Guard or reserve member working in the private sector and you're called up for a year or two years, your income goes down more times than not. You have two health care systems. Your family would be in one health care system. You're called to active duty, they're bounced to another. Let's stop this bouncing around, give them access to full time health care. It would help recruiting and retention. And I hope the Bush administration will come on board for full time access to military health care for the Guard and reserve.

BLITZER: Like Senator Graham, you're a member of the Armed Services Committee. What else do you think needs to be done to make sure the National Guard troops, the reserve troops, 40 percent of the U.S. troops in Iraq right now are from the National Guard and the reserve, what else do you believe needs to be done to make sure they are not second class citizens in the U.S. military?

CLINTON: Well, there is a lot. And one of the other aspects of the legislation we originally introduced was to lower the retirement age so that there was more credit gained toward retirement by Guard and reserve members.

We also have to make sure they have the same top flight equipment and training, especially because now they are on the front lines.

BLITZER: You don't think they do?

CLINTON: Well, originally they did not. In many instances, I had a lot of complaints, not only from New York but from elsewhere in the country, where some of the Guard and reserve units that were being called up had not been given the kind of equipment and training that active duty military forces...

BLITZER: Were they rummaging through the junkyards in Kuwait, looking for armor?

CLINTON: I don't have any personal knowledge of that. We all remember the very pointed question that Secretary Rumsfeld was asked. You know, we've made progress on these fronts. But I think it's clear, we have some big questions in front of us as to what we're going to do with the size of our military, particularly the Army, how we're going to utilize Guard and reserve units.

We made a decision at the end of the Cold War to kind of move certain functions into Guard and reserve. And they were thought to be kind of non-combat, supportive functions, things like civil affairs and military police and the like. And we have found out that those people are essential in the kinds of wars that we fight today.

BLITZER: Are you satisfied with the role that has been carved out for the Guard and the reserve as part of a fighting force for the U.S. military?

GRAHAM: It's being over-utilized and underserved. The Guard and reserve is an indispensable part of the war on terror, 40 percent of the people, as Senator Clinton said. By the end of the year, there will be Guard and reservists in Afghanistan and Iraq. Every member serving in Bosnia -- and we're still in Bosnia, for a reason, is a member of the Guard.

So we're going to break the back of our Guard and reserve forces. We have some people in specialties like she has described that are in Iraq on their second tour. Some are going to go back for the third time. It makes it very hard to maintain a civilian job.

A lot of times when you're called to active duty, you have a pay cut. We really don't address that issue. You can't retire until you're 60 as a member of the Guard or reserve. What we're saying is if you'll serve the 30, retire at 55, for every two years you serve past 20, you can retire a year earlier, to keep the best and the brightest in the system.

I'm still a member of the reserves. And I can tell you anecdotally I hear more complaints than I've ever heard. These are the most patriotic people in the world. Their health care network is not working so that they'll be ready to go to the fight. If you want to recruit and retain these people, you need to sweeten the pot. And that's where Republicans and Democrats should find some common ground.

(END VIDEOTAPE)

BLITZER: We'll have more of the interview with Senators Clinton and Graham. That's coming up just ahead including talk of a White House run in 2008. Does the senator from New York State have presidential ambitions? I'll ask her.

Plus, an infant without an identity in the aftermath of the tsunami. DNA tests taken to find the true parents of Baby 81.

And later, controversy surrounding a former White House reporter and the questions he recently asked President Bush.

ANNOUNCER: From our studios in Washington again, Wolf Blitzer.

BLITZER: Welcome back. Who will be the Democratic front runner in 2008? A new CNN/USA Today/Gallup poll has just been released and Senator Hillary Clinton weighs in on the results. That's coming up.

First, though, a quick check of other stories "Now in the News."

You're looking at a live picture in Florida. A massive manhunt under way for a suspected cop killer is over. A police dispatcher says 29-year-old Jason Wheeler is in police custody. Our affiliate WFTV tell us the police you're seeing in this picture down below have him in custody. Officials say he shot three Lake County sheriff deputies earlier this morning when he responded to what was described as a domestic violence call. One of the deputies died from his injuries.

The Food and Drug administration is backing off its tough warning that antidepressants can cause suicidal actions among children. The FDA now says short-term studies indicate antidepressants such as Zoloft, Paxil and Prozac increase the risk of suicidal thinking and behavior in children with depression and other psychiatric disorders.

Media organizations are asking an appeals court to end some of the secrecy surrounding the Michael Jackson child molestation case. Some key aspects remain hidden by gag orders, including the grand jury indictment describing Jackson's alleged crimes.

Let's get back to our interview now with Democratic Senator and Republican Senator Lindsey Graham. This political odd couple is working together on benefits for the National Guard and Reserves. We also talked to them about Iran, Iraq and when U.S. troops might be coming home.

(BEGIN VIDEOTAPE)

BLITZER: Let's talk about the situation in Iraq for a moment. You've been there.

And I assume you've been there as well, Senator Graham?

GRAHAM: Yes, I have, twice.

BLITZER: Are you encouraged by the aftermath of the elections?

CLINTON: Well, I was very encouraged by the elections. I put out a statement the Friday before the elections because I thought it was important that all Americans be united behind this experiment in democracy and that we wish the Iraqi people well.

The elections did go off, I think, surprisingly well. But there are still so many problems. I mean, the election is the beginning. It's not the end of anything. And...

BLITZER: Are you concerned that this election could result in an Islamist theocracy emerging democratically in Iraq?

CLINTON: Of course I am.

I'm concerned about it both for the people of Iraq, particularly the women of Iraq. And I'm concerned about the role that Iran might play in such a government. And I'm concerned about the ongoing relationship then that a new government in Iraq would have, not just with the United States, but with the rest of the world. So, I have a lot of concerns.

And I think it comes down to the quality of the leadership, the Shiite leadership in Iraq that will emerge from this election. Will they be open-minded and statesmanlike to reach out to the Sunnis? Will they continue to give the Kurds the kind of autonomy that the Kurds deserve to have? Will they recognize that civil authority is separate from religious authority? These are the big questions. And I think all of us are sort of holding our breath hoping that this works out well.

BLITZER: Some of your fellow Republicans, including Senator McCain, a man that you supported, you like a lot, have expressed a lack of confidence in Secretary of Defense Rumsfeld.

GRAHAM: Well, rather than being -- have personal differences, here's what I think is a fair criticism.

The elections were a sea change in the Mideast. It was a turning point. But look what we did to secure the elections. We added troops. We focused on security like we have never focused on security before. We made sure the resource were there to make the election successful. If we think we've turned the corner, this is a misreading of what happened.

The attacks are going to continue. The constitution will be written this year. The theocracy side of the story could unfold. We need more resources, not less. We need not to consider that this fight is over. An American footprint in Iraq is going to be significant for a long time to come, because the challenges of this country are significant.

I think it's fair to say that, in the past, we underestimated the insurgency. We didn't have the right skill mix. We've overrelied on the Guard and Reserves. We've adjusted for the election. That adjustment needs to continue. It's a long way before we can come home with honor.

BLITZER: So reducing the number from 150,000 right now, as they're planning on doing, to around 135,000, at least for the balance of the year, you think that's a mistake?

GRAHAM: The theory is that Iraqis will replace those 15,000 troops. I believe in the Powell doctrine. I would rather have an overwhelming presence during these tenuous times than try to bring one person home too early, because the constitution hasn't been written. There's two more elections to come.

It's very -- we are a long way from a stable Iraq. So, rather than trying to come home early, stay there with force, just like we did for the election, so that we can win this thing. Please do not underestimate what the Iraqi people face.

BLITZER: It sounds, though -- and you're a member of the Armed Services Committee -- as if the U.S. military is already overstretched. If you want to add troops to the situation in Iraq, it looks like it is going to be a difficult ordeal for the Pentagon.

GRAHAM: Right.

CLINTON: Well, that's absolutely true.

And I have so many questions and disagreements with the way that the administration, particularly the Pentagon, has pursued the mission in Iraq. And there are no easy answers. And what I worry about, to echo some of what Lindsey said, is that we can't act as though this election is some kind of determining point. It isn't. It is a beginning.

And, obviously, we are now going to be there at the pleasure of the Iraqi government. I think it makes sense for the United States to do everything possible to expedite the military training of the Iraqis. But we have to stay with enough presence to try to not only to stabilize the security situation, but to continue to demonstrate to those Iraqis taking authority the kind of government that is in the long-term interest of the Iraqi people. BLITZER: Let's stay in the region briefly. We don't have a lot of time.

Iran. Based on what you know, is there a viable military option, precision strikes to take out Iran's nuclear facilities, if diplomacy fails?

GRAHAM: The honest answer is, I don't know the military portfolio, what it would take to engage Iran. I hope diplomatic means work.

But back to the question she just asked. If we do not dramatically increase the number of troops in the Army and the Marine Corps, we will have made a mistake, because the stress

on the current active force over time is unbearable. Let's increase the number of men and women in uniform. That takes pressure off the Guard and Reserves.

The one thing I want us to learn from this war is the commitments that we have throughout the world cannot be maintained with this number of people doing this many deployments.

(END VIDEOTAPE)

BLITZER: A new CNN/"USA Today"/Gallup poll is certain to renew speculation about a run for the White House for Hillary Clinton. Among Democrats, 40 percent said they would support Senator Clinton for the Democratic presidential nomination in 2008. That's well ahead at this stage, well ahead of John Kerry and John Edwards.

I asked Senator Clinton about this earlier today. Here's what she had to say.

(BEGIN VIDEOTAPE)

CLINTON: Well, Wolf, I'm running for reelection to the Senate.

I have more than I can say grace over right now. There's just so much work to be done. And I just have to say that this budget debate is not just about numbers. It's about values. It's about whether it's more important for us to continue cutting taxes and even to continue to make some of these tax cuts permanent or to try to keep all children who are in working families without insurance covered for their health needs, whether we are going to eliminate support for important programs in the environment, in housing and so much else.

And that's what I'm focused on right now.

BLITZER: So between now and 2006 -- and you're up for reelection in 2006.

CLINTON: Yes, I am.

BLITZER: Will you take any steps, beginning steps, to look at 2008?

(LAUGHTER)

CLINTON: I am focused on 2006. Well, actually, I'm focused on today and tomorrow. I have a very simple idea that I get up, I try to do the best I can every day, and get up and do the next day as well.

BLITZER: But you remember, the last time we did a major interview at the State University of New York at Buffalo, when you were running...

CLINTON: Oh, my goodness. I was.

BLITZER: And, at that time, you ruled out running for president. You wanted to be senator from New York state. Remember that?

CLINTON: Right.

BLITZER: What about now? Are you saying you want to be senator from New York state forever? Or are you ruling out a presidential run?

CLINTON: You are good. You are so good.

BLITZER: Well, go ahead.

CLINTON: That's because you're from Buffalo.

BLITZER: That's right.

CLINTON: You're a Buffalonian.

BLITZER: I remember that day.

CLINTON: And I know how to filibuster, too.

BLITZER: But you don't rule out, rule in...

CLINTON: I'll tell you what. I am running for reelection. I want everybody to know that. I'm focused on it. That's what I'm working on. That's what I care about. I'm doing the best I can to earn the votes of a majority of New Yorkers.

(END VIDEOTAPE)

BLITZER: And much more coming up on the interview with Senators Clinton and Graham tomorrow, including their comments on President Bush's budget cuts. Senator Clinton, by the way, will also clarify her recent comments, somewhat controversial, on abortion rights for women. That's coming up on this program tomorrow, more of the interview.

NEWS CONFERENCE ON IMPROVING BENEFITS FOR MEMBERS OF THE NATIONAL GUARD AND RESERVES, 2/9/2005

CLINTON: Thank you very much.

Well, I'm delighted to be part of this bipartisan, bicameral effort. It really is an important issue. It's something that Senator Graham and I started working on about two years ago. And we've made progress, but we have a ways to go.

So the introduction of the National Guard and Reserve Readiness and Retention Act of 2005 is the next step on this road that we're traveling together.

And I'd like, personally, to thank Senator Graham. When we joined together at the Reserve Officers Association building to announce the first version of this legislation, he has been the leader, he speaks from experience and passion as a member of the Reserves.

And I'd also like to thank and note his long-lasting contribution to Guard and Reserve issues. My dear friend, Senator Leahy, he's the Democratic co-chair of the National Guard caucus, and he has worked tirelessly on behalf of the men and women in the National Guard and has been a very effective advocate.

Now, Senator Graham and I both serve on the Armed Services Committee, and we have heard countless stories from the people we represent, as well as through the work of the committee, about the strain being placed on our Guard and Reserve forces.

I don't think anyone can doubt the major role that the Guard and Reserve forces played in Afghanistan, in Iraq, and continue to play today.

Since September 11th, our reservists and National Guard members have been called upon with increasing frequency. In New York, we have over 30,000 members of the Guard and Reserves, and over 4,000 are currently deployed in support of Operation Iraqi Freedom.

When I have visited activated reservists and National Guard across New York, I'm impressed by their high morale, their eagerness to serve -- often at great sacrifice. It's not only leaving the employer and the job, but sometimes they're the only self-employed person in the family.

We've had so many problems with, you know, a single veterinarian going off for six or eight months and not finding anybody to cover his practice. You know, a self-employed accountant going off and not having anybody there to back him up.

CLINTON: Just issue after issue. And yet, time and time again, I've heard that this is something that these patriotic men and women are proud to do for all of us.

This legislation is needed now more than ever, and I'm hoping that we will be successful in addressing these two important elements.

First, to allow Guard and Reserve members the option of enrolling full-time in TRICARE. This is so important. It's a little bit shocking. And, you know, Lindsey and I have had numerous press conferences and we've appeared together -- much to everybody's surprise -- in the media from time to time, and we've talked about the fact that 20 percent of our Guard and Reserve who were activated showed up and were not medically ready to serve.

Now why would that happen? How could that happen?

Well, because they didn't have health insurance in their private employment, often because they were self...

(AUDIO GAP)

CLINTON: ... or who lose their coverage when a family member is called to active duty.

Secondly, we address the issue of retirement, and it adjusts the retirement structure to more accurately reflect the needs and the service of our troops.

For every two years a member serves, after 20 years of honorable service, that individual's eligible retirement age will be reduced by one year.

We're very hopeful that we're back this year in strength of numbers and resolve and that we will be successful in addressing two issues that are really critical to our Guard, Reserve members and their families.

And again, I thank Senator Graham and all of my colleagues for making this a priority.

GRAHAM: Now we'll hear from the bicameral parts. Congressman Latham has taken this on as his project over in the House. Congressman Wilson from South Carolina has a son serving -- been in Iraq in the Guard. And I'd like to hear from him please.

LATHAM: Thank you very much, Senator. And I just -- after what's been said, I'm not sure how much is left to be said other than last Saturday I had the honor to be at a ceremony to send off 80 additional National Guard personnel to Iraq. And I will assure you that the homecoming parties are much more fun.

But to see that 700 people there, and their families, to show the sacrifice that those people are making for our country, it is, as Lindsey talked about, just a matter of simple fairness, that we treat these people as they should be treated.

LATHAM: Many of the problems they have with their families are interruption of health care. Oftentimes they'll have coverage of a condition. They'll go off and serve on active duty, come back, get back on health care, and that previous condition is excluded.

There are real problems for these families. And I think we have to recognize the sacrifice that they make for our country, for freedom, and this war on global terrorism.

And that's why I think it is so important that we move this type of legislation to recognize their sacrifice. Like Lindsey had talked about, you know, 20 percent of the guards people nationwide do not have health insurance.

In the Midwest, where I live, it's about 40 percent, much higher there because most of them are self-employed or employed by small businesses.

We also have to recognize the sacrifice they make as to cutting off their contributions to their pension plans, their 401(k)s, the IRAs, the costs that are incurred in their long-term security because of their service to our country.

So this is an extraordinarily important piece of legislation, one that I'm very proud to work with senators on, and also on a very bipartisan basis, both in the House and the Senate. We've received tremendous support from across the political spectrum and we're just very proud to go forward with this legislation and we're hopeful that we can bring this a conclusion very, very quickly this year.

GRAHAM: The dean of the Guard Caucus, Senator Leahy?

LEAHY: Thank you very much.

The Congressman stated it very, very well when he said this goes beyond any kind of partisan politics. This is a cost of war. The Guard Caucus -- I have the honor of co-chairing it

along with Senator Bond of Missouri -- is made up of most members of the Senate. We cover every political base there is. I think you're going to find very, very strong support from that as you did earlier when we first did this.

Talk about send-offs. In my little state of Vermont, which is the size of one congressional district, just over 600,000 people, I was at another send-off a couple of weeks ago with another 300 of our Guard. And if you look at the front page of The Washington Post today, they have an article about Vermont.

LEAHY: Vermont and Hawaii have given the most on a per capita basis of any state in the (AUDIO GAP).

LEAHY: These are very brave people. I talked with one, and the impact on our little state like ours is enormous. We have a small town near where I live in Vermont. They have one store, one general store. It's run by a mother and her son. The son was called up. The store had to close. There was no other way to keep it open.

The town loses a store. The family loses an income. And nobody knows when he'll come back. So it just made more sense to close it up.

We all know that we're going to have more and more of these farewell parties. And you look into the eyes of those who are leaving or their families, you realize they go across all ages. They cut across all spectra in society.

One man told me that he's going off, the tank group, he said, "I appreciate the fact that you took time to talk with my grandchildren before I left."

I mean, this covers everybody here. It's why we are here. We have, again, my little state 1,200 overseas. More, of course, in the larger states.

The very least we can do when they're serving -- it's impossible if you're over there in Iraq or anywhere else and look at the people serving, you can't say, "Well, this one's regular, this one's guard, this one's reserve." They're all alike. They're all doing the same.

So they ought to have the same health care. We can do that with TRICARE. A healthier force is going to be a better force. It's going to make them safer. It's going to make us safer. But it's also the just thing to do.

And then to allow the members of the Guard and Reserve to access their well-earned retirement benefits earlier than the current age of 60, which is five years after the age when active duty forces can receive their retirement pay, they ought to be able to do that.

So this is a case -- this is not political. This is not partisan. It's not Republican or Democratic. It's not House or Senate.

LEAHY: It's a matter of justice. They're serving us, they're protecting us. We ought to do our best to protect them.

Thank you.

GRAHAM: Thanks, Senator.

And one of the original authors of the bill, Senator DeWine from Ohio.

DEWINE: Thanks, Lindsey.

This bill is about taking care of and protecting the families of our Guard and Reserve members. Behind each member of the Guard or Reserve, many times are the unseen children and spouses.

We have a moral obligation to provide medical care for them, to make sure they have good medical care. As Lindsey has pointed out, and others have pointed out, many times the real problem is the continuity of care and the fact that you may have a spouse who is pregnant, and the concern about changing doctors in the middle of that pregnancy, changing doctors in the middle of an illness.

That's something that people just don't want to have to deal with, and they should not have to deal with. This bill will help to alleviate that problem.

So this is the compassionate thing to do, but it's also the right thing to do. And we really do, I think, have a moral obligation to pass this bill.

It's a continuation of what was begun in the last session of Congress. But it's really to continue that work, and really to do right by the men and women who are serving us, and to do right by their families.

GRAHAM: Now, Senator Allen, who's been working on a series of issues for the Guard and Reserve.

ALLEN: Thank you, Lindsey, and I very much appreciate your leadership. You're the leader of the whole Senate on this.

GRAHAM: Yes, right.

ALLEN: You really are, on this issue, because we look at you as one who obviously has the right ideas, but also the experience. And it's good to see that this is bipartisan and bicameral, in an effort to help out our Guard and Reserve.

I'll not repeat everything that everyone else has said. I'll give you my perspective, though, particularly of the Guard, having served as governor of the Commonwealth of Virginia, and seeing what the Guard men and women do, and (AUDIO GAP).

ALLEN: And in recent years, the Guard's been, as well as the Reserve, being called up.

I remember sending off Guard troops to Bosnia, going and visiting them in Bosnia. And these people are not all from big cities. They're from small towns, they're from rural areas. Their families are left back at home. They've left a job. As Senator Clinton was saying, some may be a sole proprietor. Others may be just one of five people working for some company.

And they've lost, let's say, a quarter of their work force, and hold those jobs open. Those employers are great patriots too.

But the families also have the same expenses, the same costs. And there's a substantial number of Guard and Reserve members who just to serve this patriotic duty for our country are actually losing money. They're getting paid less. There's a pay gap.

There are a variety of things that Lindsey and those of us have been trying to do over the last few years to make sure that the benefits are good for those individuals, and also their families.

Health care is clearly a main concern of any family. And that's why this is such a salient and beneficial assistance to those who are serving part time, so to speak, although it seems full time these days.

ALLEN: The same with what we did last year, by the way, on the issue of tuition assistance and making sure that, if they want to get college tuition assistance, that's done.

The pay gap is something that's always going to be a challenge for us. But this is something that clearly will be beneficial. It will help us with the retention, help us with recruitment.

And most of all, as a family's back home wringing their hands, worrying, praying that their loved one will come home safely, it's really, as Senator DeWine said, "This is for the families."

And I'll simply close with the cautions that George Washington gave our country in the beginning of our republic, where he said the willingness -- and I'll paraphrase it -- the willingness of future generations to fight for their country, no matter how just the cause, will be proportionate to how they perceive the treatment of previous veterans.

That applies to this matter. It applies to a lot of other issues that we're all going to work on, because we are the land of the free because of these brave men and women.

Thank you, Lindsey, and my colleagues.

GRAHAM: All those guys from Virginia are very eloquent.

Now, you know, to put this in perspective, all of us are here to help families. But there are some members of Congress that have a different family perspective of the war on Iraq and the needs of the Guard and Reserve. Congressman Wilson will tell you about his perspective.

WILSON: Thank you, Senator.

And, ladies and gentlemen, it's an honor to be here today. And I want to thank Tom Latham for his leadership in the House on this particular legislation. Look forward to working with him.

And, indeed, I do have a unique perspective as a veteran and a parent. I've just completed 31 years service with the Army National Guard. I had the distinction of serving as the staff judge advocate for the Army, working with the Air Force staff judge advocate, Lindsey Graham.

And so I know what a stalwart he is for the Guard and Reserve, and it was an exciting experience for both of us.

Additionally, as a parent, I'm very grateful that my oldest son, who's a young attorney in the Army National Guard, has exited Iraq. He's currently on his way home. A year of service. He's so grateful for having the opportunity to protect the American people in Iraq.

Additionally, I have another son, just two weeks ago, who began officer basic course, Army National Guard, at Fort Gordon in Georgia. So our family really appreciates what the Guard means to our state and our country.

And I know that this particular legislation is exactly what is needed that is real world, it's common sense, it can be understood by members of the Guard. It's a reflection of our appreciation for their sacrifices. And then it's also supportive of families.

That's the key point that we need to make, it's been made so well today, that families have been so supportive.

Another addition to this that's so helpful, particularly with the health insurance, the retirement, are with employers.

WILSON: They've been so dedicated in providing for their employees to serve. And this bill has it all as a means of promoting, recruiting and retention.

Thank you very much.

GRAHAM: Any questions?

QUESTION: A question for either of the main co-sponsors: What are the budgetary implications of this bill? Is that likely to be a stumbling block for passage? And also, what is the Bush administration's attitude?

GRAHAM: Well, the budget implications for the bill, if you include the retirement, reducing retirement age from 60 to 55 for those who serve from 20 to 30, plus full-time eligibility for TRICARE, is a little over a billion dollars a year. For a five-year period, you're looking at about \$7 billion.

Now, in fairness to the Pentagon, personnel costs are growing greatly and we have to be sensitive to that.

But what's the budgetary impact of destroying the Guard and Reserve? It's not about the budget. It's about our national security.

Recruitment and retention is down in the Guard and Reserves. General Blum has told us we're about to destroy, if we don't watch it with this tempo level and service commitment level, one of the greatest fighting forces we've ever known: our active duty forces, our Guard and Reserve.

What's the cost to the public of having 20 percent of those called to active duty unable to serve?

We have found that our current military health care system has a hole in it. It does not cover people who are going to go off to war. It does take care of their families.

I would argue that a billion dollars a year of taxpayer money will be spent happily by the American public to take care of those who are making sure the American public stays free.

To me this is not about the economics. This is about retention and recruiting and the hope the Pentagon will come on board.

LEAHY: I explained it back home to an old farmer who asked me about the costs. I said, "Think of the roof on your barn. You do a little preventive maintenance on that roof, it's going to last forever. You don't, the next big storm we have here, you're going to lose half the roof and it's going to cost you a lot more."

We're doing preventive maintenance here, preventive maintenance that carries a real human benefit to it.

GRAHAM: Senator Clinton?

CLINTON: Well, with respect to that last part of your question about the Pentagon's attitude, I don't think it's any surprise to anyone who follows this issue, as all of you do, that we've been engaged in a constant conversation to try to convince the Department of Defense to support this or, at least, at the very least, not oppose it. And we've made some progress, as you know.

We're hoping that, given the preventive maintenance approach -- which I think Senator Leahy's absolutely right about -- this is a good commitment, you know, for us to make at this time. It sends exactly the right signal that should be sent.

So that as people are coming out of the active duty forces, which is where the bulk of the recruits for Guard and Reserves come from, they're going to know that we're looking out for them, that we really care about them and their families.

I just think that it is a very sensible approach budgetarily as well as for all of the moral, family and other reasons we've talked about.

GRAHAM: If I may, I'd like the associations to speak, and we'll take more questions.

But simply stated, how much longer are you going to ask Americans to -- half of them get a reduction in pay -- George Allen's absolutely right. Most people don't realize that, one, the Guard and the Reserves are not eligible for any type of health care, number two, that half of those who are called to active duty from the civilian sector have a cut in pay; 50 percent lose money, and your reward is you get to go off to places like Iraq.

I think all of us feel an obligation to ameliorate that the best we can, being fiscally sensitive.

GRAHAM: But the idea that this package is too expensive, in light of the obligations that we're putting on these people, to me, makes no sense.

The Military Officers Association will now come forward and tell us about their position.

RYAN: Well, thank you, senators and congressmen.

I'm Norb Ryan, president of the Military Officers Association. (inaudible) critical this year that we get this done, for three reasons. Number one, as some of the members of Congress

addressed, it takes generations to build a strong army. It only takes a few short years to destroy it.

Number two: We've heard about the long deployments, the too- frequent deployments. We know that we call our Guard and Reserve citizen-soldiers. They are becoming soldiers and part-time citizens.

And finally, because of this, the enormous sacrifice that they and their families are under, we need to send a much clearer signal to these men and women that their service and sacrifice is deeply appreciated.

Our position on this is that many times our elected officials have a much better feel for the importance of an issue like this to our nation's defense than those that are too close to the war and the issues that are going on there.

And so our military association and our 370,000 members are prepared to go to the mat with the rest of the coalition here and the leaders that you have before you to get this bill through the Congress this year. It is that critical to our nation's defense.

Thank you.

GRAHAM: And now the Reserve Officers Association.

(UNKNOWN): Thank you, everyone.

Guard and Reserve members really want one thing, and that's to serve their country. It's that simple.

The members of the House and Senate here today understand that in order for that to happen, problems have to be solved. And, boy, are we glad they get it.

These issues were identified over a decade ago, during Desert Shield and Desert Storm. Hopefully, we've passed that magic amount of time that it takes for a bill to go through, and this year we'll see it finished.

We support wholeheartedly this effort, and we hope that you'll be behind us with it also.

GRAHAM: You were really good...

(CROSSTALK)

(LAUGHTER)

GRAHAM: Now, the Guard Association.

(UNKNOWN): Senator Graham, we thank you and all of you folks for the support.

Five years ago, the Adjutant Generals Association identified, through their strategic planning process, the fact that the Guard and the Reserve would ultimately be in the position they are today; that breakage was a possibility.

They began an initiative under the guidance of Major General John Smith of Ohio, came to Washington and recruited some of the early supporters. And so AGAUS passed that torch to the National Guard Association of the United States. We've been at it a long time.

They began by determining with extensive surveying in the field, with soldiers and airmen, what was it that would keep them in. Universally, the answer to all of those surveys was, "Health care for me and my family."

They felt so strongly about it, that they came up with a concept that has survived to this day as a part of this legislation, and that is they were willing to help pay the bill.

That's a little unusual for a benefit program coming out of the federal government, and that speaks volumes as to how important this is.

The National Guard Association of the United States will be there to be counted. We'll be hammering on doors.

Thanks very much for the opportunity.

QUESTION: A question for Senator Clinton and Senator Leahy: I'm just wondering your reaction to the Medicare prescription drug numbers that came out this morning.

LEAHY: I haven't seen them. And I'd, kind of, like to see them first, and then I'll be glad to react.

Plus, it's an irrelevant question. And the judge here objected to it. His objection is sustained.

(LAUGHTER)

QUESTION: You were really nice to the administration, but the fact is, they threatened to veto the defense bill last year if these provisions were in it.

And can we get a little better answer from you about how they're going to oppose them?

(UNKNOWN): A whole lot of members.

(LAUGHTER)

GRAHAM: Well, the reason I'm nice to the administration is because they reached across the divide and we found a compromise last year.

Do not dismiss the idea that personnel costs are really growing in the military. We're having a \$40 billion expenditure for military health care, and it's going to increasingly take resources away from war-fighting.

But the ultimate war-fighting requires people to be physically able to go to the war. This is taking care of the barn. This is preventive health care in a smart way.

And this is my message to the administration: 70 senators have seen this the same three times. You've gotten a conservative like Joe Wilson and Tom Latham from the House willing

to spend \$1.5 billion a year more, if necessary, to take care of the families serving the country.

You'll have an \$80 billion supplemental come over -- and I will vote for it gladly, but they need to understand that it's going to get amended in the Senate. We're going to fix this problem this year.

And my counsel to the Pentagon is to come over here and help us make health care more efficient, but don't deny it to the Guard and Reserves who need it, because you're going to lose that fight.

(APPLAUSE)

END

U.S. SENATOR JAMES M. INHOFE (R-OK) HOLDS HEARING ON EPA BUDGET, 2/9/2005

CLINTON: Thank you, Mr. Chairman.

I want to begin by saying that there are a few bright spots in this budget. I'm pleased, for example, that funding for building- decontamination research has been restored. That had been zeroed out last year.

The request for the Clean School Bus USA program is up from the FY '05 enacted levels, and I think that's a very good sign, because this program does help school districts retrofit old buses or purchase new ones in order to reduce children's exposure to harmful particulates.

But from a macro perspective I have to say this budget is disappointing and inadequate. Like my colleagues, I'm dismayed about the very deep cuts for the clean water state revolving fund by \$360 million from the FY '05 enacted levels to \$730 million.

If Congress passes this amount it would be a cut of more than \$600 million from the average historical funding level of \$1.37 billion per year for the program.

Now, for New York alone this reduction would mean a cut of \$40 million. We know that the water infrastructure gap for the next 20 years is in the hundreds of billions.

In New York we have an aging infrastructure. From the 1990 to 2000 census we had an increase in population in New York City. This is an incredibly shortsighted cut.

And on the other end of our state we have problems with the decision to zero out funding for the rural water programs which are critical to hundreds and hundreds of small rural systems in New York and certainly thousands across the country, to help these small communities

comply with the law and protect their drinking water. So we have to find a way to provide that assistance as well.

I join my colleagues' concerns about some of the policy decisions embedded in this budget document because after all budgets are value statements as well as including numbers and statistics.

I join my colleague, Senator Boxer, with concerns about the Superfund. I join my colleague, Senator Carper, with concerns about mercury.

It really, I have to say, is shocking that the EPA inspector general's report that was requested by Senator Jeffords, I and others, concerning the mercury proposal found that EPA management ignored the Clean Air Act's requirements.

Now, we do not have any other law at this time. There are lots of proposals floating around, but the law is the law and that's the Clean Air Act.

And the direction by the EPA management to the staff to essentially game the mercury analysis so that the reductions would mesh with the expected co-benefits of the clean air interstate rule is absolutely outrageous. It's a slap in the face to Congress. It's a slap in the face to the American public. And it is a real detriment to the one in 12 American women who already have dangerous levels of mercury in their bloodstream.

It's very troubling because we need unbiased analyses. We can have arguments about what the best thing to do is. And, obviously, the chairman and I don't agree about what we should do to clean our air. But we cannot permit government agencies to provide false and misleading information. And if there were any oversight in this Congress, which there is very little of, we would get answers to this. But it is wrong and it is unacceptable.

Let me just mention two other issues very quickly.

I worked with the White House in the fall of 2003 to secure an agreement to establish the World Trade Center expert technical review panel to address continuing concerns about contamination resulting from the collapse of the World Trade Center on September 11. I then worked very successfully with Governor Leavitt to implement that agreement.

The panel got under way last March under the chairmanship of Dr. Paul Gilman of the Office of Research and Development. Dr. Gilman did an excellent job, but he has left the agency and the panel has been without a chairman. And I hope, Mr. Johnson, that you will name a new chair of this panel expeditiously, because this is a success story. This is one of those issues where everybody's worked together.

Finally with respect to the Deutsche Bank demolition, I want to thank the EPA for stepping in and making clear that there were aspects of this demolition that were totally unacceptable. And I would hope that the EPA has followed up with the Lower Manhattan Development Corporation to ensure that the suggested changes are made and that you will continue to work to ensure that any demolition going on in Lower Manhattan is done to the highest standards.

Thank you, Mr. Chairman.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

Mr. Chairman, just two points to clarify the record. Every Clinton budget post-'95 assumed the reinstatement of the polluter-pay tax, and, in fact, the administration consistently supported reinstating the polluter-pay tax. Unfortunately, there was not much appetite for doing that in the Congress.

Secondly, with respect to Senator Isakson's point, it's my understanding that EPA does control mercury coming out of incinerators. We've had recognition of the control of mercury for quite some time. We've just never taken it to the stage it needs to be moved toward, which is to control the emissions from dirty power plants.

Now, Mr. Johnson, let me ask you specifically, when do you think a new chair will be named for the World Trade Center panel?

JOHNSON: Senator Clinton, first of all, thank you for your kind remarks with regard to the effort by Dr. Gilman and others on the World Trade Center, an important topic for all of us, and to do what we all need to do to address that situation.

Since we are in the midst of -- the president is looking for an administrator for EPA, and also there are several key positions that we are actively looking for highly qualified individuals, including the assistant administrator for our Office of Research and Development.

While that process is going on, I have asked Tim Oppelt, who is the director of our Cincinnati lab who oversees all of our research in homeland security, if he would serve as an interim chair for this upcoming meeting and then report back to me directly so that the important progress that we've made thus far will continue.

CLINTON: Thank you very much.

JOHNSON: And I also made a conscious decision that rather than waiting for people to be in positions, that I thought it was important for us to move forward with having our next panel meeting. And so, we have announced that we are having our next panel meeting on February the 23rd.

So Mr. Oppelt will be filling in to chair that for me, reporting directly back to me, so that we can move forward with the important progress.

CLINTON: Thank you very much. I know that my constituents appreciate that as well.

Mr. Johnson, with respect to the Deutsche Bank building, has the EPA followed up with the Lower Manhattan Development Corporation to ensure that the suggested changes that EPA made with respect to the technical considerations about the demolition -- has that been followed up with the Lower Manhattan Development Corporation?

JOHNSON: Our Region 2 office out of New York, as you're well aware, was following this, and, in fact, were the ones who were instrumental in achieving what you had said. I'm not sure whether that follow-up has or has not occurred.

CLINTON: Could you get back to me on that?

JOHNSON: I'd be happy to get back to you for the record.

CLINTON: I think it's important. I mean, there was a great cheer that went up from Lower Manhattan when the EPA set forth its concerns, and I'd like to, you know, keep getting you good press in Manhattan.

Last August I wrote to the EPA to ask for attention to a Title 6 claim that had been filed by the Syracuse University Public Interest Law Firm on behalf of a group called the Partnership for Onondaga Creek, a grassroots community group, including neighborhood residents from blocks where Onondaga County plans to build an above-ground sewage plant.

I was very pleased to learn after I sent my letter that EPA contacted the claimants to indicate that a review of the claim had begun.

Can you tell me when the review of this claim will be completed or can you get back to me with that information? I see someone nodding who looks very knowledgeable back there.

JOHNSON: We have Ann Klee, who is our general counsel, since she was the one who was nodding, come up to the table.

Ann?

KLEE: To show a little knowledge is dangerous.

Senator Clinton, we are reviewing the document. We just received it, and we expect to have it finalized, I would say, shortly, probably within a month. I think the deadline is March 17th.

CLINTON: Great.

KLEE: But I could be wrong on that.

CLINTON: Thank you. Well, that will also be good news to my constituents.

Mr. Johnson, usually we have expected in the Congress every four years a report on the reduction in deposition rates of acid rain, the National Acid Precipitation Assessment program report. The last report was in 1998. When can we expect this report to be delivered to the Congress?

JOHNSON: Senator, let me ask Jeff Holmstead, who is our assistant administrator for air programs.

HOLMSTEAD: Senator, what I can tell you is that there is a draft of that report that is undergoing review right now. I think it's actually produced by the Office of Science and Technology, and we've been one of the agencies that have been reviewing that. It's actually the subject of pretty intense scrutiny by a lot of science agencies.

So what I can say is it is undergoing review. I don't know exactly what the time frame is because it's not our document, but I do know that folks in my office have been looking at it. So I would assume it would be out relatively soon.

CLINTON: It would be, I think, helpful to have it on a fast-track since it's somewhat overdue, if we were to keep the four-year schedule. So I appreciate that.

Finally, Mr. Johnson, last week, when CEQ Chairman Connaughton testified before this committee about Clear Skies, he said at that time that the administration had not taken a position with respect to S. 131. You've made several references in your testimony today to Clear Skies. Are you indicating that the administration has made a decision to endorse and support S. 131?

JOHNSON: No. Don't misunderstand from my comments. Is that obviously the president submitted Clear Skies legislation -- now two years ago? Two years ago. And that we know that, through Chairman Inhofe's leadership, that there is -- markup is next week.

CLINTON: Well, so you were using that as sort of generic...

JOHNSON: No, I was using that as a generic that certainly we support Clear Skies legislation. The president put a proposal on the table. I know that there will be a markup next week, and we look forward to the results.

CLINTON: Could I ask you specifically, with respect to the fact that we are having a markup next week, Section 407(j) of S. 131 includes a provision that carves out exemptions from current Clean Air Act requirements for four entire source categories, more than 70,000 units. This removes these units from Clean Air Act regulations for hazardous air pollutants, including carcinogens like benzene, probable carcinogens like formaldehyde, and other nasty things like arsenic.

I asked Mr. Connaughton whether the administration specifically supported that provision and whether the EPA had produced estimates of how many facilities would qualify for exemptions under this provision, and whether there had been any modeling about potential health impacts of those exemptions.

Mr. Connaughton said he would get back to me with answers, which he has not yet done. But I think the committee needs answers to those questions. I don't see how we can proceed with a markup next week on a piece of legislation that creates such a big carve out that could have deleterious health impacts.

So could we expect to get answers before our markup next week?

JOHNSON: I will have an answer for you, yes.

CLINTON: Thank you.

JOHNSON: I will also point out that the analyses for the air program activities, particularly as we get into modeling particulate and all the rest, are very, very intensive and, in fact, take weeks to accomplish.

CLINTON: Thank you.

“Wolf Blitzer Reports,” CNN, 2/10/2005

BLITZER: Let's talk briefly about the budget. I assume you're upset, like a lot of Democrats, as far as the president's budget cuts are concerned. What are you going to do about it?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, I'm upset as an American. I think that we are in this huge deficit hole. We are dependent on foreign lenders, like the governments of China and others, to keep bailing us out every month. It's an unsustainable situation...

BLITZER: But the country's at war.

CLINTON: Well, this is the first time we've ever had a president take us to war and cut taxes at the same time. It doesn't add up and it's really undermining our long-term economic viability. The budget has a lot of specific problems with it that I think are not -- you know, we're going to debate them and I don't think that eventually they will be enacted.

But the bigger question is we don't have Iraq in there. We don't have the real cost of Social Security in terms of the plan the president wants to present. You know, at some point, we've got to say, look, everybody, we have not repealed the laws of economics and arithmetic. This does not add up and we need to do a better job.

BLITZER: You disagree or you agree?

SEN. LINDSEY GRAHAM (R), SOUTH CAROLINA: Well, there is going to be bipartisan buy-in to the idea that we need to control our spending like we did in 1997 when President Clinton was president. We had a balanced budget agreement. We were able to find a way to control the growth of spending. I hope we can do that. Some specific programs to be rejected by Republicans in terms of budget austerity.

But the idea of controlling spending -- cutting taxes has helped the economy, I think. I think we can have some more tax cuts. But we can't borrow our way out of every problem. With Social Security I propose not borrowing all the money you need to fix Social Security, actually raising the cap on earnings, I know as a Republican that's heresy.

BLITZER: Sounds like a tax cut -- a tax raise, an increase in taxes.

GRAHAM: Well, for some people, by raising the cap, they'll have to make a higher contribution to Social Security for the common good. What I'm trying to generate in this debate is that our problems are real for all demographics, Republican or Democrat. Our country is really in a bad way when it comes to budget matters.

Fiscal austerity with a compassionate heart, I think, is the key to this. Entitlement reform -- two-thirds of the budget is entitlement spending, if we can fix Social Security in a bipartisan way, it gives us hope. If we fail here, I don't know what we do with Medicare.

BLITZER: We are out of time. One quick question. Just clarify briefly for us the abortion issue because some abortion...

CLINTON: Briefly?

(LAUGHTER)

BLITZER: Some abortion supporters -- abortion rights supporters among women's groups were a little concerned by those recent comments you made. So just explain to our viewers what is your stance right now?

CLINTON: Well, I have tried to make clear over many, many years that I believe that this is a very difficult issue, morally and in every other way. I don't see how the government can enter into this matter and criminalize the behavior of women and their doctors. Therefore my hope is that we can find common ground, to deal with the underlying problem which happens to be unplanned, unwanted pregnancies.

The more we can work together to try to decrease those numbers, the less this will be a pressing issue in the hearts and minds of so many Americans.

BLITZER: But fundamentally you still support a women's right to have an abortion?

CLINTON: Absolutely. As I said in my speech in Albany, I've been to countries that forced women to have abortions and be sterilized, like China, where they had a one-child policy.

I've been to countries like Romania that forced women to bear children. They wanted every woman to have five children for the state. They used to physically examine women every month to make sure that if they were pregnant they would be followed by the secret police. And we ended up with orphans and abandoned children and a terrible AIDS crisis in the Rumanian orphanages.

I've been to Brazil, a place where abortion is illegal. And I've been to a hospital where half the women were thrilled because they were having babies and half were being treated because they had terrible, botched, illegal abortions.

So I know that in this world of ours there are many places where abortion is illegal and half the abortions in the world happen in those countries. This is a problem that needs to be dealt with from the beginning in helping young women and young men understand responsible decision-making, in providing good moral values and upbringing, hopefully religious -- we underpin so that people know what is right and wrong.

I also believe in comprehensive sex education because I think that -- although I favor and spoke years ago about abstinence, I think that it's the parents that -- going to be in our saturated culture of consumerism, materialism and sex selling everything, a problem that we can't deal with in just one way.

So I think there is common ground here. And I would, for example, hope that the administration would rethink its decision about making it recommended to provide emergency contraception after a woman has been raped, because these are areas where I think people on all sides can find some common ground. And that's what I'm hoping to achieve.

BLITZER: You want to just weigh in briefly or...

GRAHAM: I'm proudly pro-life and I agree totally with her that our men and women in the Guard and reserve need full time health care now.

BLITZER: I think everybody will agree with you on that. Senator Graham, thanks very much.

GRAHAM: Thank you, Wolf.

BLITZER: Senator Clinton...

CLINTON: Thanks, thank you, Wolf.

BLITZER: ... appreciate it very much. Good luck to both of you.

CLINTON: Thank you very much, Wolf. (END VIDEOTAPE)

BLITZER: We spoke yesterday on Capitol Hill.

U.S. SENATORS BYRON DORGAN (D-ND) AND HILLARY CLINTON (D-NY) HOLD A NEWS CONFERENCE ON CAPPING THE NATIONAL TRADE DEFICIT, 2/10/2005

CLINTON: Well, I want to thank Senator Dorgan. He has been a tremendous leader on this and so many other issues.

And I think what we can take from Senator Dorgan's briefing is a disarmingly simple concept: When we run a trade deficit, we pay for that deficit by selling U.S. assets to foreigners. Now, there's nothing wrong with that. That's the way global trade works. But after a certain point, like anything else, it becomes a problem.

You know, there's nothing wrong with eating ice cream occasionally, but if you're gorging yourself on a gallon or two a day, it becomes a problem.

But because that trade and budget deficit has gone unchecked for the last three years, we're now in a position where foreigners hold 41 percent of the debts that our Treasury issues, nearly \$3 trillion.

Now, we are not here to claim that the sky is falling or to tell the American people to, you know, head for the hills, but the simple fact that we're trying to get across with this legislation is that there is no precedent in American history for an economy as large as ours to be as heavily in debt to our trading partners as we are today.

Moreover, with today's announcement, we now have the largest trade deficit in history, a near 25 percent increase over last year's record deficit.

As the head of the Federal Reserve in New York recently said, and I quote him, we are significantly more dependent today on the confidence of the rest of the world in U.S. economic policy.

Now, we do benefit -- and we're fortunate to -- from the fact that we have a deep and flexible economy that can absorb crises and disorders that would cripple any other economy.

But we should not mistake our strength for invulnerability.

At some point, we have to ask ourselves, how much is too much? How long will we be able to sustain a trade deficit exceeding 5 percent of our GDP which many economists and the chairman of the Federal Reserve have said are unsustainable? How long can we depend on the confidence of foreign investors to keep propping up our currency and covering our debt?

Now, these are important questions that should be asked, and that's what our bill is attempting to do. We're trying to address these questions to the Congress, the president and the American public.

Some years ago, Congress had the wisdom to create a debt ceiling in order to sound the alarm and to try to rein in budget deficits and ensure that, you know, we didn't go too far in the amount of debt we owed.

Now, it's arguable as to whether that concept has been effective, given that the debt ceiling has been raised so many times in order to accommodate the fiscal policies that were at work at the time. But at least it forced people to take notice of our government's fiscal condition. And it made members of Congress accountable whenever they voted to increase the debt limit. We think that concept of accountability is a good thing.

And if a debt ceiling helps make the public aware of how much borrowing their government is doing, then a trade deficit ceiling would go far in making the American people aware of how precarious a position we're in in our economy because of our increasing trade deficit.

You know, there are a lot of really -- there are lot of really smart people about money and the economy in our country.

CLINTON: And I think, average Americans would probably agree that Warren Buffet and Bill Gates are pretty smart about how you make money. And they are both investing in positions that anticipate future dollar declines as a result of this administration's budget policies and our trade deficit.

And it certainly is disconcerting to see people taking positions against their own economy's performance. But that's how they read the economic tea leaves. And I don't think they're far off.

So let's not forget that this is a real problem. It has a drag on economic growth. It impedes job creation. It negatively affects wage growth and if left unchecked, it will directly affect Americans' pocketbooks.

It also falls directly on our children and our children's children. It is hard for Byron and Ben and I to sort of reconcile the president going around talking about a crisis of Social Security,

ignoring the crisis in our budget deficit, the crisis in Medicare, the crisis in the trade deficit and debt. And it's a real sign of this administration's indifference toward the long-term economic health of our economy.

So I want to thank Senator Dorgan once again for stepping up and pointing out the problems that we are facing, that are really on our doorstep, and coming up with a good idea that hopefully will get us back on track.

DORGAN: Hillary, thank you very much.

Ben Cardin has joined us, and Ben is someone with whom I served on the House Ways and Means Committee some many years ago. He's also in a key position on the Trade Subcommittee, and we're really pleased that he's going to introduce similar legislation in the U.S. House.

Ben?

CARDIN: Thank you. Senator Dorgan, let me first thank you for your leadership on trade issues, for your leadership in bringing forward this very important issue, a \$600-plus billion deficit this year alone.

Senator Clinton, I want to thank you for your leadership on trade, your leadership on health issues, your leadership on economic issues and for your effort here to alert the American people of this desperate need that we have.

CARDIN: In the last four years, we've accumulated as much trade debt as we did in the first 220 years of our nation's history.

This is a matter of economic security, but it's also a matter of the security of our country. When you look at who holds our debt, these countries aren't always in agreement with us on our foreign policy. And we shouldn't be so dependent as we have become. It is a matter of national security.

I'm proud to represent the Port of Baltimore. Trade's very important to my economy, it's very important to the economy of this nation. But five out of six ships that come into our ports from China will leave empty -- leave empty. And that one ship that goes back to China is most likely to contain waste products or scrap metal. It's not going to be manufactured goods.

We used to have a major trade surplus on advanced technology products. Today we have a deficit. And the list goes on and on and on.

Well, it is time for a wake-up call, and that's exactly what this legislation does. It says enough's enough. It's time to have a plan to get us out of this debt. It's time to have a plan that will protect American workers and businesses, that will help our manufacturers, our farmers and our producers. And that's exactly what this legislation does.

I'm proud to be associated with this. I can tell you we're going to fight in the House to get this bill passed this year.

Thank you.

DORGAN: Ben, thank you very much.

Let me underscore again, this is not about some theory. This is about whether this country will be able to expand, provide economic opportunity, and create new jobs in the future. I think this is really very important, and I'm pleased to be joined by my colleagues.

We'd be happy to answer questions.

QUESTION: Two related questions. One, what you propose as the initial trade deficit ceiling to start (OFF-MIKE)?

And number two, the meat of the bill seems to be this (OFF-MIKE) requirement. Don't you sort of run the risk of in some ways (OFF- MIKE) and they can say, "We're trying, we're trying" (OFF-MIKE)?

DORGAN: Well, we've established the limits. It would be 5 percent of gross domestic product with respect to the total aggregated current accounts deficit that comes from the trade deficit. And the other is 25 -- excuse me, it's exactly the opposite -- 25 percent and 5 percent of GDP, both with respect to the current year deficit or the aggregate deficit.

DORGAN: Look, our point is it simply requires some action. At this point, nothing's happening.

I guarantee you, the people who are responsible for this, and the people who ought to looking after this issue and paying attention to it are snoring through the day once again, not concerned, not worried, not paying much mind to any need to be doing anything different, thinking that this is just fine. We'll just keep chanting about our trade policies and chanting about future economic growth, even as we sink deeper and deeper into the abyss of red ink.

QUESTION: Once they stop snoring and wake up, what should they do? Your bill calls on the administration to come up with a plan.

What do you think should be in that plan? What should (inaudible)

CLINTON: Well, there are a number of things that can be done. There isn't any one answer. What we're trying to do is sound the alarm.

If people wake up after they hear the alarm, we need to put our own fiscal house in order, which would be a very good step in making sure that we could have more strength on our own economic front.

We need to have policies that promote, new technologies that are going to make us richer in the future, like environmental and energy technologies, where there's a tremendous opportunity for a market and we are just sitting by and letting the Europeans and the Asians seize that market. We're not doing anything like our fair share of it.

We need to really have an investment in education and training, not just paying lip-service to it, so that people are able to be competitive in the global economy.

We need to take the legacy costs and the current costs of health and retirement off the backs of American business, so that they can be competitive. Right now we have them in a

pincer movement, where basically they lose either way. They compete with countries and companies that don't expect an individual business to have to pay for health care and pension. Or they compete with companies and countries that don't provide benefits.

You know, for the first time in our history, more cars are being made in the province of Ottawa, in Canada, than are being made in the state of Michigan.

And so all the pieces of our economic pie have to be rethought, about how we're going to be competitive in the global economy. And, you know, right now we're not doing anything.

And this administration actually talks favorably about losing more jobs. You know, I'm not against global trade. We all think we have to be competitive and have a good, strong global trading system. But I don't want to cede the field of competition. And that's what we're doing right now.

CARDIN: This administration has spent a lot of time on bilateral agreements that have meant very little, collectively, to our economy.

They need to spend time with the WTO and fight for fair trading partnerships, so that we have a level playing field. They've brought 12 cases in the last four years. The previous administration brought 11 cases a year. They just haven't been aggressive in fighting for our rights in the WTO. We have to do a much better job.

DORGAN: Let me just say that there is no trade vaccine here that's going to make you well. You do this piece-by-piece.

And I can give you a dozen examples. Let me just give you one, with Korea. In the last year, we will have imported about 700,000 Korean cars into the United States.

Do you know how many cars we got from the U.S., into the Korean market? Fewer than 4,000.

DORGAN: So almost 700,000 coming this way, fewer than 4,000 going that way. Do you know why? Because they don't want to sell American cars in Korea.

Our country has to say to countries like Korea, "Look, fair is fair. Reciprocal trade. You don't want to open your market to us. Then sell your cars in Zambia, and see how quick they sell."

But the fact is, we have to have a backbone and some will and some nerve to say to other countries, "We demand and insist on fair trade treatment," whether it's wheat or cars or any number of things.

And I don't think this is rocket science. It's a matter of our country paying attention to it and demanding on behalf of our economic interest that we have fair trade rules.

QUESTION: Back in 1986 when you had this same debate, economists with Reagan argued that the way to reduce the deficit was to lower the value of the dollar, to cut the budget deficit at home and to encourage Americans to save more (inaudible). Republicans can argue today that they are doing those same things. So how does your bill affect (OFF-MIKE)

DORGAN: Well, I would just ask you to observe the following: The dollar is declining in value. And our trade deficit is at a record high.

CLINTON: I just can't help but add, in addition to that, that I know that the administration and the Republican majority want to turn Washington into an evidence-free zone. And it's something that has tremendous consequences for all of us.

But the idea that, you know, they could respond to the trade deficit by saying, "Look what we are trying to do," and list those items, when everybody knows that their plan for Social Security would make workers more insecure, that it would have a huge increase of federal borrowing, which would make our economic position even worse.

I mean, it just doesn't add up. And I know that's what they say. But look at what they do. Don't look at what they say.

QUESTION: Or put another way, Lloyd Bentsen who was a senator at the time. He was promoting a Democratic bill, which I think ran to about 1,000 pages, the final bill. He said, "I'm looking for a remedy, not an issue."

Your bill, you can argue, might be looking for an issue, because there is no remedy. Where is the remedy in this?

CLINTON: But I think the remedy starts with public awareness. I mean, this is not exactly a conversation around the water cooler. These figures come and go.

CLINTON: And people just kind of yawn, because they don't see the connection between the job loss that we've had in upstate New York of 180,000 jobs in the last several years and the fact that we're not being competitive in selling anything to people around the world. And they don't really understand the security implication of being so dependent upon foreign lenders that we are losing maneuverability when it comes to matters of great strategic security interest to us.

So we have to raise the visibility of this. That's the first step toward solving a problem.

And you're right, this has been talked about. But to be fair to everybody in the past, the problem was not as acute and as serious as it is now, with no end in sight. So I think that what our first step is is to let the people start talking about it. Let's get the president asked about it at news conferences. Let's get the Republican leadership asked about it when they show up for stakeouts.

This is a serious problem. Let's put it on the national agenda.

DORGAN: Let me make one final point. There won't be a remedy until it is an issue. As long as it is not an issue, no one's even looking for a remedy.

But all you have to do is look at this chart to ask yourself, are things getting worse or much worse? The answer is yes, of course.

And do you see anybody scurrying around to decide this is important for our country? The answer is no.

That's why this has to become an issue, not a partisan issue, but an issue about are we going to stand up for the economic interests of this country? When are we going to take some action?

QUESTION: Senator Clinton, President Clinton with the help of the Congress passed a PNTR with China in 2000. And now, more than 50 House members, including many, many Democrats, are saying it's time to repeal PNTR with China. What's your position on that?

CLINTON: I believe in trade, but I don't believe being the only country in the world that truly practices free trade. I am thrilled that people in China and India and elsewhere in the world are seeing their living standards rise and that they're having a better future. I think that's good for everybody.

But it is somewhat discouraging to hear what both Byron and Ben said. Ben talked about how our own government doesn't even stand up for American business and American workers. And as Byron pointed out, there are lots of situations where just very frankly we don't get a fair shake.

The entire global economy, if you looked at it as an inverted triangle, is resting on the shoulders of the American consumer.

CLINTON: If the American consumer stops buying, the whole world goes into a recession. If our living standards and our wages continue to decrease, you know, slowly but surely, we're not going to be able to prop up the global economy.

So just as I think it's in the interests of the United States for the Chinese people to have more economic opportunity, it is the interests of the Chinese government and people to recognize that they have to be fair, along with everybody else, to the United States when it comes to agreements and open borders and all the other things that will enable us, once again, to be competitive on a more equal basis.

QUESTION: So again, is it time to repeal PNTR?

CLINTON: You know, I don't think it's time to repeal. I think it's time for us to say, though -- let me just say this, that the Chinese government, every other government, has to take seriously what we are saying today. We may not be at a remedy level yet, but unless governments in the rest of the world and the international trading framework, like the WTO, recognize that we are just not going to sit and be disadvantaged year after year after year, then perhaps more drastic action will have to be taken.

So it is in the interests of everybody for the United States to stand up for itself and to have some positive responses that will move us out of a deficit position.

DORGAN: Let me just make a point about this. I wasn't going to, but I think it's important.

With respect to the PNTR, it needs to be fixed. Bilateral automobile trade, do you know what was agreed to? That any automobiles we would sell in China could have a 25 percent tariff applied by the Chinese. Any automobile sold in the U.S. by the Chinese could have a 2.5 percent tariff. So our negotiator agreed that they could charge a tariff that is 10 times higher than the U.S. tariff on bilateral auto trade. I'm still trying to figure out who made that agreement, because I think that person ought to be named somehow.

But my point is this: When we make these kind of agreements with that kind of a policy -- and, incidentally, the Chinese are now racheting up an auto export industry to export into this country -- when we make that, it reminds me of what Will Rogers said back in the '30s.

He said, "The United States of America has never lost a war and never won a conference." And he clearly could have been talking about our trade negotiators.

He said, "We can't go to Costa Rica to negotiate and come back with our shirts on." And that's embedded in the bilateral with China and a dozen other agreements in the last decade that the three of us have watched.

This country needs to do better with these trade agreements.

QUESTION: Senator Clinton, let me ask you specifically about China. The big issue here, obviously, is Chinese currency manipulation. The administration has been jawboning the Chinese leadership (OFF-MIKE). What else could they do here?

CLINTON: Let me just answer it this way: Our government is dependent upon the Chinese government buying our debt every single month. So just take that leap of imagination. How much jawboning can a government which has run up the biggest fiscal deficit we've ever had plus has presided over the biggest trade deficit we've ever had, how much real authority or power does it have to negotiate anything with the Chinese government?

We are basically going hat in hand every single month.

So I just don't take their comments seriously at all. From my perspective, we were on the right track -- this will not surprise you -- we were on the right track at the end of the Clinton administration. We were moving into balance and surplus. We had enough funding to be able to deal with some of our long-term entitlement programs.

And this administration cares about one thing more than anything else, and that is preserving the tax cuts for the richest of Americans. That's more important than deficits, whether they're fiscal or trade. That's more important than currency manipulation and dealing effectively with the Chinese. It is their number one priority. I think that's a misplaced priority. And I think we're paying a price for it.

END

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON THE FY 2006 DEFENSE BUDGET, 2/10/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much.

And, General Schoomaker, thank you for bringing the three soldiers you brought with you today. There couldn't be a better illustration of the jointness between active duty, Guard and Reserve sitting in the front row there. And I appreciate that.

General Schoomaker, just because I'm afraid I might have missed it, what was your number about the up-armored Humvees that we now have in the theater?

SCHOOMAKER: I believe the up-armored Humvees themselves were in excess of 6,000.

CLINTON: Then the other vehicles, altogether...

SCHOOMAKER: Total, we're in excess of 26,000, approaching 30,000.

CLINTON: I was recently up at Watervliet Arsenal, the oldest arsenal in our country, going back to the War of 1812. And they're very proud of the work they're doing to help armor the trucks that are now a major priority.

General Schoomaker, help me understand a sequence of events. Last week, at our hearing, I asked Deputy Secretary Wolfowitz about increasing the size of the Army.

At that time he told me, and I quote, "In fact, in the five-year defense plan that will come with the '06 budget, you will see that we will bring the cost of this larger army into what we call the top line in our regular budget, starting in fiscal year '07, and that we've had to make some very considerable adjustments in the rest of the defense program in order to pay for that.

"We need to fund it through supplementals in this fiscal year, next fiscal year, because that's not the kind of change you can -- it's like turning a tank around a dime. But we're not trying to hide the cost, either."

And that is what Secretary Wolfowitz said.

Shortly after he answered my question, it appeared as though the Defense Department was backing away from even that level of commitment. But I just want to understand from your testimony, with respect to this 30,000-person increase being made permanent -- we are funding it out of the supplemental now, but is there a plan, as Secretary Wolfowitz seemed to suggest, that we would start trying to move toward putting that into the baseline in '07?

SCHOOMAKER: There are three components of this if I might.

My requirement for this year is \$110 billion, in '06. The base budget has \$98.5 billion in it. There's a delta of about \$12 billion. We have a request in for the supplemental for that \$12 billion: \$3 billion for manpower, \$4 billion for resetting the forces that we're using and \$5 billion for the modular transformation for the Army that we're sending.

If you then look at 2007, you will see that the core budget is \$110 billion. It was just moved in 2007. And as you look out all the way out to '11 you will see that the Army modular costs have migrated inside of our top line.

What is not in the top line, because it's unknown, is what our reset costs will be in the out-years, to fix equipment and replace equipment that's used. And as you can see, there are still personnel costs that we will require supplemental funding for in the out-years.

CLINTON: And this is primarily a budgeting decision at this point, that, for whatever reason, the Defense Department doesn't want to move into the budget in the top line number, any sooner than next year? Is that fair to say?

SCHOOMAKER: I assume that's what it is.

I've stated what my requirement is. I'm satisfied that I have a commitment that that requirement's going to be met. And as I say, as you take a look out through the out-years you'll see that our core budget grows because more of it is being pulled into it.

CLINTON: I share Senator Levin's concern about the use of supplementals for what are anticipated to be continuing expenses that are in the baseline. And I don't know how we get a handle on this, but it's very, very troubling to me.

Because I think -- I mean, I think that it's difficult -- you've done what you're supposed to do. I'm just really talking to us. We need to do what we're supposed to do in conjunction with the Department of Defense to more accurately describe what our defense needs are going forward and not be, you know, pushing things into supplementals, and trying to do it on a year-to-year basis.

I just don't think that is an appropriate way to deal with the basic needs that we face.

General Schoomaker, also last week I had a chance to talk with General Cody about the specific case of Specialist Robert Loria from Middletown, New York, who lost an arm in Iraq.

And he had some problems getting his paycheck worked out. He was expecting a final paycheck of about \$4,500.

CLINTON: Instead, he was told by the Army that he owed money. And he was caught up in this bureaucratic red tape.

In the course of intervening on behalf of Specialist Loria, I was told that the Army had identified 19 more soldiers who were treated the same way. And then my office -- because that got some press -- began getting additional concerns brought to our attention.

And so I wrote the secretary of the Army and asked him to examine whether this was a systemic problem. And I brought that to General Cody's attention last week, and he very efficiently got me an answer, which I appreciate very much.

And so on Friday, he sent me a letter saying the Army had identified 129 soldiers with payment and debt issues, but that the Army had put into place systems that would rectify the problem.

And, General Schoomaker, I really appreciate this. I appreciate the Army's willingness to correct this.

Obviously, I think we all agree that one soldier who faces this situation is one too many; 129 is absolutely beyond the pale.

But is the Army taking a big-picture look at how wounded soldiers are handled from the moment they're wounded to the moment they are either restored to duty or discharged?

And let me, also, perhaps, ask whether General Hagee can respond to that, as well.

SCHOOMAKER: The answer to your question is, absolutely.

I might remind you that the system that pays soldiers is the Defense Finance and Accounting System. It's a big, huge consolidated bureaucracy that is getting better. But it will not get totally better until we transfer this whole system to -- What is it? DMRS (ph) -- that will tie the personnel system and the finance system together more closely.

And so I'm afraid that it's going to continue to take a lot of attention on the part of leadership, a lot of anticipation to fix these kinds of problems.

And I don't mean to be facetious here, but I think you'll remember me testifying in the past that, as chief of staff for the Army, it took a while to get paid out of this system, which I assume that means privates have a lot harder problem down there.

And, oh, by the way, they sent my spouse a note saying I had died when I was brought back on active duty.

(LAUGHTER)

CLINTON: Was she surprised to hear that?

SCHOOMAKER: So almost nothing you tell me will surprise me with it. And it will require attention to do this.

So I can't give you a better answer than that.

CLINTON: Thank you.

HAGEE: Yes, ma'am. We are working also very aggressively in this area.

In fact, I have been out and I have talked with the former secretary of veterans affairs, Secretary Principi. We are actually assigning a major out to his office this month to identify those seams that might exist between the Department of Defense and Veterans Affairs.

And as I testified, or mentioned earlier, we have set up this Injured Marine Program which is going to follow an individual Marine while he or she is on active duty, and then actually follow -- if the Marine decides to leave active duty, he will have a contact or she will have a contact on the outside to assure that we continue to address these problems that might come up.

CLINTON: Thank you.

Thank you very much.

SCHOOMAKER: Can I have an alibi very quickly, Senator -- I'm sorry -- because I wanted to mention the same thing?

As you know, the Army has a disabled soldier support system that we are doing precisely what the commandant has talked about with the Marines and follow our soldiers five years into their (inaudible). And we're doing it in conjunction over and above what the V.A. does. And Secretary Principi previously had been very, very helpful in helping us do this.

So when we talk about a holistic approach to what you just touched on, a little piece of it here, it is a very big process. But we very much understand our responsibilities to return

these great people that serve in our Army back to wherever they decide to go, whether they're going to stay with us or whether they're going to go back into civilian life. We have a responsibility to return them as whole as possible.

CLINTON: I thank you for that.

Thank you very much.

WARNER: Thank you very much, Senator.

Senator Talent?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON FISCAL YEAR 2006 DEFENSE BUDGET, 2/17/2005

CLINTON: Thank you, Mr. Chairman.

I think that the hearing this morning is somewhat instructive. There is no specific money for Iraq and Afghanistan in the budget, but most of the questions are about Iraq and Afghanistan.

And I think that it is difficult to cover all of the issues that are important that are in this budget. But let me just go to two other areas.

Secretary Rumsfeld, the last time there was a successful intercept test of the National Missile Defense System was October 2002 and that was using immature, surrogate components in a highly choreographed and unrealistic test.

Now, President Bush decided, in December 2002, to begin fielding the system by the end of 2004, before any operational tests were planned or conducted. Since the president's decision, there have only been failed intercept flight tests of the system. And the new interceptor has not even left the silo during the tests.

It seems to me that before we commit to buying dozens of these interceptors, it would be important to have some operationally realistic tests that can demonstrate whether the system will work effectively.

Would you agree that realistic operational tests could give us confidence in whether the system works effectively, and that if the system does not work effectively, we should not be spending billions of dollars on it?

RUMSFELD: Senator Clinton, we, as you know, reduced the missile defense program budget from what we had projected last year, I believe \$8.8 billion down to \$7.8 billion.

The program has been generally successful. It is, of course, a complicated forward-looking technology program that, as with any program of that nature, is going to have to proceed along and have some successes and some failures.

RUMSFELD: The last two failures have clearly thus far inhibited us from conducting a system test for all its capabilities.

But we are in the early stage of engineering this complex and unprecedented capability.

The failure did not, according to people in the activity, undermine their confidence in the technology or the ability to integrate the geographically dispersed elements of the components. And we remain committed to produce and deploy a missile defense capability. And the program director has assured us that the key aspects of the program are on track.

Each time there's a success, you learn something; each time there's a failure, obviously, we learn something, as well.

And the failures in this instance were not systemic in any way.

Dick, you want to comment on it; you've been in this business.

MYERS: The specific failure in this case was not due to the missile itself, but due to the hardware that had to get out of the way so the missile could launch out of the silo. And there was a microswitch that didn't close when the hardware came up as part of the silo mechanism. And that'll have to be corrected.

But as the secretary said, they don't think that is systemic.

CLINTON: But, General, I know that the decision was made by the president to deploy, to begin fielding the system, by the end of 2004. So it's basically the position of the administration that we're deploying regardless of whether we have any successful tests, for whatever reason -- whether it was computer errors in getting the silo open or other more serious errors -- we're still committed to deploying a system that has not proven it can work.

And as I understand the theory behind that, that just by deploying a system, it serves a deterrent value. It strikes me a little odd that we would deploy a system that hasn't succeeded and expect that to serve a deterrent value.

So I don't understand the sequencing of this.

RUMSFELD: I agree with that point, that there's no deterrent if something is known to not work.

CLINTON: Yes, I think that's right.

RUMSFELD: That's fair enough.

I think the word "deploying" needs to be calibrated. What's being done here is not a pure test and not a pure deployment, but deploying the pieces of the capability that will evolve into an early missile defense capability.

And the way to do that, according to the people who are working on this -- and I agree and subscribe to the concept -- is to get it in the ground in a modest way, work the problems, keep testing, and as that capability evolves, you will begin to have the early stages of a missile defense capability.

If you didn't do anything until you could do everything, you probably wouldn't do anything.

And this is the way airplanes evolved. It's the way most -- certainly the way our satellite systems evolved.

And it seems to me that they're proceeding on a -- not a hell- bent for leather approach -- but a measured approach to a complicated problem which, frankly, given what we read about Iran and what we read about North Korea, ought to be reassuring to us that we're doing what we're doing and that we're at least on a track to have that capability in the period ahead, assuming we can continue to work out the kinks and the difficulties.

CLINTON: Mr. Secretary, I think it appears -- at least to me, maybe some others -- that our policy toward trying to create an operational missile defense system has heavily influenced our policy toward North Korea.

CLINTON: And that we are now at a point where the North Koreans are claiming that they've reprocessed the 8,000 fuel rods that had been frozen from '94 to 2003, which means that, over the last four years, they have potentially produced up to six more nuclear weapons on top of the one to two devices that the intelligence community assumed they had. In addition, they have restarted their reactor and continue to produce plutonium.

And the reason I raise that is, you know, it struck me, from the very beginning of this administration, that the commitment to missile defense colored the approach toward North Korea and now, to a lesser degree, Iran.

So I think it's important that we have an idea of exactly what DOD's intelligence estimate is regarding the number of nuclear devices or weapons North Korea currently possesses.

And I know my time is up, but if you could, also elaborate on whether DOD believes the 8,000 plutonium fuel rods have been reprocessed, and how solid our intelligence really is about North Korea's nuclear capabilities and intentions.

RUMSFELD: Senator, it had never crossed my mind that our missile defense program affected the policy toward North Korea. And I've never seen any manifestation of that in National Security Council meetings or principals meetings or discussions that I've had.

The track we are on with North Korea is very similar to the track that the government has been on for some time. It's been a diplomatic track, an attempt to work out with them some arrangements whereby their behavior would be appropriate instead of inappropriate for that part of the world.

Second, you said a Department of Defense estimate on North Korea's capabilities. We rely on the intelligence community broadly for intelligence assessments.

And there's a lot that the rest of the world doesn't know about what their capabilities are. They do a great deal of what they do underground. They are not uniformly straightforward

in their public pronouncements. It's hard to know if you should believe what they say -- at least it's hard for me to know.

I have seen a variety of estimates and I'm sure we'd be happy to make available to you the intelligence community's assessments as to what's going on there. But I don't know what else I could add in this meeting.

CLINTON: Thank you.

"CNN Live Event/Special," CNN, 2/19/2005

Delegation of Senators hold live Press Conference in Iraq

SEN. **HILLARY RODHAM CLINTON**, (D) NEW YORK: Thank you very much for giving us this opportunity for publicly state both our appreciation and pride in American military forces that have been here and are here now. And also our support for the people of Iraq and their elections, which will lead to a new government. I think that the impression that I take away from just this short visit after talking with not only government officials but some of our military and civilian leaders here in Iraq, is cautious optimism.

Cautious, because there are so many challenges ahead; cautious, because there are neighbors of Iraq that are not necessarily enthusiastic about the success of the Iraqi people in creating and sustaining a multi-ethnic, multi-religious democracy.

But optimistic, because the results of the election are a strong rebuke to those who did not believe that the Iraqi people would take this opportunity to demonstrate their commitment to their own future. And our hope is, with the formation of a new government, that all groups within Iraq will be included and that the establishment of this new government will be firmly rooted in the hopes and aspirations of the Iraqi people. I think it is fair to say that not only the administration of our country but the Congress of the United States have committed ourselves to doing what we can to help achieve that objective.

SEN. RUSS FEINGOLD, (D) WISCONSIN: I want to join everyone in the delegation in congratulating the Iraqi people on the successful election results and thank Senator McCain for including me in this congressional delegation. It is such an important time in the history of Iraq.

My particular focus is on a number of things. Are our troops getting what they need to be safe and to be able to do their job? Are American taxpayer dollars that are being spent here, being spent carefully? Is there an ability to monitor that, on the part of our government and our people here? So that we can make sure that the American people can have confidence in that?

And from a broader point of view, I am very interested in following up on the fact that our CIA director the other day said that Iraq has now become, instead of Afghanistan, the leading place of training of international terrorists. And what implications that has for Iraq

and for our own safety and what we can do together with the officials here and in other parts of the world to make sure that what we're doing here, not only ensures that the people of Iraq have democracy but that this is consistent with the number one issue in America, which is making sure we deter the people that attacked us on September 11.

SEN. LINDSEY GRAHAM, (R) SOUTH CAROLINA: I'm Senator Graham from South Carolina. This is my third trip to Iraq and I'd like to echo what my colleagues have said, to those men and women who are serving over here and who have served, this election is a direct result of your efforts and sacrifice.

And not only just your efforts but coalition partners. There are other countries that have been involved in this effort and they've lost people. And we need to recognize them. And I see some heads nodding, from our American military folks out there.

But the thing that I'm most encouraged about is I think the American people saw the Iraq people do something that was very hard; go to a polling station and on the way you saw graffiti that says, if you vote, you die. So, what I would like to say is that the people who are helping over in Iraq, they deserve it. And whatever sacrifice lies ahead for our country, I hope we will continue to make that sacrifice because it is in our best interest that Iraq be free stable and democratic.

And the one thing that I've learned from this trip, is that we're a long way away from being able to leave. That if the Iraqi people want us to stay, we're going to be here for awhile, in large numbers; but it is worth it, we cannot leave too soon. This country faces many problems, many struggles, but they have convince me, and I hope they have convinced you, that their desire to be free, with help, will overcome the people who are trying to take them back into the darkness.

MCCAIN: Questions? Sir.

QUESTION: (OFF MIC).

FEINGOLD: I think there is a very good faith effort being made to try to spend the dollars wisely. There are challenges in terms of trying to review projects that are in areas that are not easy to be secure. And so this is something that I'm looking forward to the report that we get from the inspector general, next. The first report was a frankly disturbing report that had to do with some issues concerning Iraqi dollars and that needs to be fixed up.

But the next report will be about American dollars and I've urged people here, and they're already on the job, to try to figure out a way to make sure that we have some accountability with regard to this spending. And I look forward to the results of those reports.

MCCAIN: Ma'am.

UNIDENTIFIED FEMALE (speaking in Arabic, translator inaudible): ... For the liberation of Iraq, but the election lead to the election of a religious group that are known have loyalty to Iraq.

MCCAIN: Well, we have no indication that the people who are elected have an allegiance to anything other than the Iraqi people and the formation of a free and democratic government. The fact that they may be of the same religious faith does not necessarily mean that they are in any way inclined to cede Iraqi sovereignty to Iran or any other nation.

CLINTON: Well, obviously, we expressed some concern about that. And the future will demonstrate whether that concern is well founded or not. At this point, I share Senator McCain's opinion that it appears there is a good faith effort underway to form a government that is reflective of the aspirations of the Iraqi people. And I think some of the checks and balances that were written into the law, will help to create the best possible circumstances for that to occur. And it is something that we will continue to watch and hope that it does not cause any problem, that there is no divided loyalty whatsoever, within the Iraqi government.

COLLINS: Each of the Iraqi leaders with whom we met stress the need for a coalition government that reached out to all parties, to all ethnic groups. I think that is very impressive. We have just come through an Iraqi election where the Sunnis population's participation was very low, which was regrettable. And yet, the leaders with whom we've talked with all talked about their efforts to reach out to the Sunnis as they put together a new government.

I think that demonstrates an understanding on the part of these Iraqi leaders that the government must have Kurdish and Sunni representation as well as Shiite.

MCCAIN: Sir?

QUESTION: Dexter Filkins with "The New York Times".

I was just wondering if you could walk us through what you did when you were here and just let us know if you were able to get outside the Green Zone at all?

MCCAIN: The second answer is, no. We would obviously like to -- tomorrow, we are going -- excuse me, I'm not allowed to reveal our itinerary, I guess. But we will be going to several other places throughout the country. And today we spent most of our time with the Iraqi leaders and although we also had a long briefing with General Petraeus (ph), but tomorrow we will be spending most of our time with the American military in various places, at least three outside of the Green Zone.

You're first question was?

QUESTION: Just who you met when you were here, today, then?

MCCAIN: Today, we met with General Petraeus (ph), and then, we met with the prime minister, the deputy prime minister, and the finance minister. And also had a briefing at the embassy where the food was far superior to that of the Senate dining room.

Sir?

QUESTION: Tomash Ashzlov (ph), CNN.

Senator Collins, you mentioned that you were here in 2003, in the summer, and you have seen a lot of progress. You know, I was here in 2003, in the summer also. At that time I was able to travel around the country. I see many of American soldiers having lunches in the restaurants, you know, this is suicidal today. Big chunks of the country, especially Baghdad, are still without electricity. There is a terrible security situation, terrible unemployment. How do you define success or progress? What did you see? **COLLINS:** First, let me say, that I

didn't mean to imply that all of what I have seen represented progress. When I was here that summer, it was much easier for us to move around. We visited several cities around Baghdad. We were able to move more freely through Baghdad. And one impression I have is how much more fortified Baghdad is than it was during that summer.

But on the other hand, at that point it was clearly the coalition forces who were making every decision and who were running the country. That clearly is not the case today. We've seen a true transition of power. We've seen the Iraqi people begin to control their own destiny, to chart their own future, and to make the basic governing decisions.

One of the leaders with whom we met today said that back when the CPA was in charge that the Iraqi people could blame the Americans for everything. If the electricity went off, it was the Americans' fault; he said, now we're making the decisions and shouldering the blame, as well as the credit.

Although, it is disappointing to see that the violence that has ensued since my last visit has resulted in an Iraq where it is more difficult to move around, there is no doubt in my mind that the long-term future of the Iraqi people is far brighter and that the transition to power -- in the hands of the Iraqi people has, and is, occurring.

MCCAIN: We believe, hope and pray, that the dynamic has changed from Iraqi insurgents versus the U.S. and our troops, to Iraqi insurgents versus the Iraqi government. Under the second scenario, if it applies, then I think we have an opportunity to succeed. And I want to emphasize again, there are none of us who have visited here who wish to understate or under appreciate the enormity of the task that lies ahead of us.

Ma'am, yes. We'll go to you, too. Go ahead.

QUESTION: This is Fanas Fausti (ph) with "The Wall Street Journal".

Senator Clinton, can you elaborate on some of your concerns about neighboring countries and what specifically concerns you? And which countries, please? Thanks.

CLINTON: Well, I think that the concerns center on Iran and Syria. Iran, because of the size and influence of Iran in this region; because of some of the policies that Iran has followed; and, of course, because of some of the linkages that go back many, many years when Iran was not only fighting a war against Iraq, under Saddam Hussein, but was helping to support opposition to Saddam Hussein.

With respect to Syria, it is an ongoing concern heightened by the assassination of Mr. Hariri (ph), in Beirut, that Syria has a agenda that has not only resulted in its failure to control borders, perhaps providing refuge to insurgents or leaders, Ba'athist leaders who have sought sanctuary there, but it tends to take a more aggressive posture in the region.

So, I think that may not be the only set of concerns, but those are the two at the top of the list.

MCCAIN: (UNINTELLIGIBLE):

QUESTION: Senator Graham, two questions. One is you said that you feel that the troops are going to have to be here for a while, do you feel like that is five years, 10 years, if you can give a timetable.

And the second question is one for back at the States: Since the president has left the door open for raising the cap on Social Security payroll taxes...

(LAUGHTER)

...is it a good idea for Republicans to raise taxes to help solve the Social Security problem?

GRAHAM: I thought surely 5,000 miles away you would avoid that question.

MCCAIN: Aren't you glad we had one more question?

GRAHAM: Yes. Thanks, John.

As to how long? The answer is, until the job's done. Not one minute longer, not one minute less. And what is the job? The ability of this country to have the capacity to maintain its freedom. That just doesn't mean numbers with guns, that means institutions that work; judges and courtrooms that work for all Iraqis, regardless of your ethnic background or your religious differences. A finance ministry that can collect taxes and pay the bills. When you look at what is ahead for this country, there is reason to be very hopeful it could change the whole region. But as John said, to underestimate what lies ahead is a mistake.

How long? I don't know, but to leave too soon would be devastating. To stay too long would be unnecessary. The Iraqi people have their fate in their hands but we're essential partners in that process. And I ask the American people to have patience because what happens here directly affects our security at home.

Now, as to Social Security, speaking of our security. There is no Social Security without national security. But we have a challenge domestically as well as internationally. It is time for the country, as a whole, to make sacrifices for the common good.

We're here sacrificing to make the world safer in light of people who want to take us back to the darkness, extremists who would have no role for a woman, other than to just be seen and not heard, and barely be seen.

We have a chance, at home, in a bi-partisan way to address Social Security and permanently fix it. I'm a Republican. I am telling you right now that you cannot fix the Social Security System at home as a Republican Party. And the idea of asking people who make over \$90,000 to pay extra for a permanent solution, I think would be well accepted by the country as a whole.

I support that, and I will as my Democratic colleagues to reject rigid ideology and work with the president to find a solution that will save Social Security, sacrifice will be required.

MCCAIN: On the issue of withdrawal, let me just point out, I think it is a false argument. The key to our continue presence here is not how long we stay, it is the U.S. casualties. We've been in South Korea for more than 50 years. Americans are perfectly happy with that. We've been in Bosnia, we've been in all over the world, but we don't have casualties. If we can

bring American casualties down as the Iraqis take over military and law enforcement responsibilities, then I think the American people will be satisfied to see significant progress. I think that is the key to it, rather whether we withdraw or not.

GRAHAM: Can I add one last thing?

MCCAIN: Yes, go ahead.

GRAHAM: Ronald Reagan was a pretty good conservative. Ronald Reagan and Tip O'Neil sat down together, going back to Social Security, and Ronald Reagan agreed to raise tax rates. Tip O'Neil changed the age limit from 65 to 67. They part their ideology and the focus on the common good. That is what we need to do now to save Social Security in a permanent fashion.

MCCAIN: Two great Americans.

Finally, quick.

QUESTION: John Burns (ph), "New York Times", for Senator Clinton and for you Senator McCain.

Many people who come here after a absence of some time are shocked at the deterioration in security. Although, you have not been outside the Green Zone, you will have noticed the enormous elaborate security that is required, even to move you around within the Green Zone.

MCCAIN: We paid attention to your reporting, as well.

QUESTION: So, I wonder if you could both give us your sense, what that means to you to come here? What are you going to be telling people -- not at news conferences, but what are you going to be telling the 42nd president of the United States -- in terms of Clinton -- when you get home, in your kitchen? What is your feeling about this?

CLINTON: Well, it is mixed. Because I was last here at the end of 2003. And I was able to drive from the airport into Baghdad, for example. It is regrettable that the security needs have increased so much. On the other hand, I think you can look at the country as a whole and see that there are many parts of Iraq that are functioning quite well. There might be occasional problems but it is not the steady drumbeat. In addition, the concerted effort to disrupt the elections was an abject failure. Not one polling place was shutdown or overrun. And the fact that you have these suicide bombers, now wreaking such hatred and violence, while people pray, is to me an indication of their failure.

So, while yes, it is somewhat disheartening that there is so much more security, that we ourselves are subjected to. On the other hand, I think that the election and the desperation of this so-called insurgency is becoming clearer by the day. And I'm hoping that the Iraqi government and the Iraqi security forces will continue to get stronger in the face of that challenge.

MCCAIN: I've said many times that we have made serious mistakes and we've paid a heavy price for those mistakes. And I have pointed them out a long time ago. But the fact is that the elections have taken place. The fact is, as Senator Clinton pointed out, there are many

parts of this country that are functioning very well and very safely. And the consequences of failure are devastating and the prospects of success, not only here but in the entire Middle East are intoxicating.

So, we have a long, hard, difficult struggle ahead of us, but I am far more optimistic than I was before the election, because the Iraqi people proved that they would brave the risk of their very lives in order to choose their government. To me that's very encouraging. Thanks very much.

UNIDENTIFIED FEMALE: Thank you all invest. Very much.

BETTY NGUYEN, CNN ANCHOR: You have been listening to a U.S. Senate delegation which has arrived in Iraq. That delegation made up of Senators, McCain, Clinton, Feingold, Collins and Graham. While there they are going to be focusing on a number of different issues, including are, U.S. getting the necessary information and equipment needed to stay safe in Iraq. A lot of other issues as well, we'll be talking about within the next half hour.

“Face the Nation,” CBS, 2/20/2005

Senator **HILLARY RODHAM CLINTON** (Democrat, New York; Senate Committee on Armed Services): Bob, I think that the election was a very positive step for the Iraqi people and also for the United States and our involvement here in Iraq. The violence that preceded the election was about 50 to 60 incidents a day. Leading up to the election, it rose all the way to 300, and now it has subsided again to, unfortunately, about 50 or 60 a day. But what was important about the election is that for the first time, the Iraqi security forces did most of the perimeter support for security around polling places.

And there were some heroic actions by some of the Iraqis, Bob. We had some very significant efforts and even some Iraqi security force members who literally died protecting the polling places and voters. So although the violence has continued, the fact that there will be an Iraqi government, that it will be responsible for dealing with these insurgents and terrorists is, I think, a big step forward.

SCHIEFFER: Senator Graham, how do you assess the situation right now?

Senator LINDSEY GRAHAM (Republican, South Carolina; Senate Committee on Armed Services): Well, Bob, I've been here three time, and it's more dangerous than it's ever been, but I agree with Senator Clinton very much, that the elections were an important sea change. I think it proved to the American people that the Iraqi people deserve our support. If you're willing to go vote, and the graffiti on the wall greeting you to the polling place says ‘Vote or Die,’ that is a huge commitment on the part of the Iraqi people. And I think the international community should respond in a more aggressive fashion. But security-wise, this is a very dangerous place, but the Iraqis are in the fight.

But one thing I don't want us to misunderstand: the elections were huge. They were important. They made me proud, they made us all proud as Americans. It should not mask the long road ahead. We're far from a rule-of-law nation in Iraq. We're far from an economy that can sustain itself. The Iraqi people want to be free, but they're nowhere near having the

capacity to be free. So on my third visit, I can tell you this: We need to be patient in America, because our footprint here will be large for a long time. We're years away from leaving with honor.

SCHIEFFER: Well, what do you mean 'long time'? Do you mean years?

Sen. GRAHAM: Well, just think about it, Bob. It's not the number of people that carry guns and wear an Iraqi uniform that's exclusively important. You've got to leave a court system behind. You've got to leave the capacity to maintain freedom and to have a market economy. These people lived under a brutal dictator. There is no legal system in place. There is no market economy. I don't want the elections to mask the long road ahead. It's important we win. Our security is tied to how well things turn out in Iraq, but it's time for American politicians and I think the world to understand that this is a long, hard road that lies ahead to give these people capacity to maintain their freedom.

Sen. **CLINTON**: If I could just add to what Senator Graham said, because I think it's really important we underscore this. Senator McCain made the point earlier today, which I agree with, and that is, it's not so much a question of time when it comes to American military presence for the average American; I include myself in this. But it is a question of casualties. We don't want to see our young men and women dying and suffering these grievous injuries that so many of them have. We've been in South Korea for 50-plus years. We've been in Europe for 50-plus. We're still in Okinawa with respect to protection there coming out of World War II.

You know, we have been in places for very long periods of time. And in recent history, we've made a commitment to Bosnia and Kosovo, and I think what is different is the feeling that we're on a track that is getting better and that we can see how the Iraqi government will begin to assume greater and greater responsibility. The elections were key to that. The training, equipment, equipping and motivating of the Iraqi security forces is key to that. But so is our understanding that if we were to artificially set a deadline of some sort, that would be like a green light to the terrorists, and we can't afford to do that.

And the second point that I would make is that, you know, this is not only just about Iraq. This is about a breeding ground for terrorism. No matter what anyone's opinion is about how we got here, whether we should get here, we can have that debate back at home, but when you meet, as we have today, with Iraqi officials, and I just came from a brief meeting with a lot of the Iraqi women leaders, they thanked me and they asked me to thank our government and particularly to thank the American people. And they know that they have a lot riding on this, and I think we do, too.

SCHIEFFER: Well, Senator Clinton, that was the question I was going to ask you. Would it be a mistake to set a deadline as some in your party have done? And you say, obviously, you do think that. Do you think we're coming to a situation where we will have permanent bases in Iraq?

Sen. **CLINTON**: No, but I think that we should take this sort of one step at a time. I really do understand the, you know, deeply felt feelings on the part of many Americans as to how we got into this situation, whether we should have, and a very strong concern that we don't want any more American casualties and we should be trying to get out as soon as possible. Well, I think everyone agrees that we should get out as soon as we can, but we can't get out

any sooner than it is feasible in terms of what we have to accomplish and in terms of what the Iraqi government needs to accomplish. So I don't know that setting a deadline, a public deadline, is the best way to achieve that goal.

Secondly, though, if you look at what we are trying to achieve, I don't know that we can talk about anything we might do. We are going to be negotiating with the new Iraqi government. The Iraqi government could turn around any time and say, 'We want you to leave.' I don't see any indication of that, but it could happen. The Iraqi government could say, 'We want you to be here with a certain kind of footprint.' But until the Iraqi government is stood up and operating, I think it's a little premature for us to be talking about what they and we may decide to do together.

SCHIEFFER: Well, let me ask you, Senator Graham. I know you all got a briefing, I believe, from General Petraeus, who's in charge of training these new Iraqi troops. Did he give you any indication when he'll have a sizable force, up and trained and ready to take on some of the combat responsibilities that the US troops are handling at this point?

Sen. GRAHAM: He said he thought with the end of the year that the combat capability of the Iraqi police and army would dramatically improve. Training is going a lot better. This is my third visit, and that's the good news, that the Iraqi troops are better trained. They performed well during the elections and right after the elections there was a flood of people that came in that wanted to join the army. These people literally risked their lives to vote so that was a strong statement that should make us all feel good.

General Petraeus outlined progress in that area, but one thing we need not forget here is that this operation is very important to our own security. If we get it right here, we've turned the tide on terrorism. If we lose, it's a giant setback.

But the stress on our troops is what I would like to talk about for a second. Senator Clinton and I represent different spectrums of the political ideology on many occasions, but we have Guard and Reservists from New York and South Carolina who are making up about 40 percent of this operation, and I really do believe we're going to be here for a while because the Iraqis are nowhere near having the capacity to maintain a democracy. And our Guard and Reservists need better benefits. They do not receive health care while they're a Guard or Reservist. Only when they're activated do they receive military health care. Twenty percent of them coming into the active duty are unable to go to the fight because they're not medically ready. So we're proposing that we provide full-time health care to our Guard and Reserves through military health care called TRICARE. We need to adjust and we need to make sure that our troops are well taken care of as we train the Iraqi forces.

SCHIEFFER: I know that both of you are working very hard on that. Let me just ask you this, Senator Clinton. Are we putting too much reliance on these Guard and Reserve forces. Do we take--should we take another look at what the Guard and Reserve ought to be responsible for and what they ought to be doing?

Sen. **CLINTON**: Well, we certainly have put a tremendous responsibility on our Guard and Reserve forces. As Lindsey said, 40 percent of our force here in Iraq are Guard and Reserve. And just today, we've seen Guard and Reserve forces from all over our country. I was happy to shake hands with a group from Rochester and elsewhere through New York. And we know that they are doing a tremendous job. But the fact is that they were never really intended to

be quite so significant a part of a mission like this, and that's why I've teamed up with Senator Graham to try to give them the benefits that they need.

We're going to have to look at the role that the Guard and Reserve plays as we look at the future of the military. There are a number of us who think we need a bigger standing Army, that we're going to have to increase the Marines, we're going to have to figure out what missions should be inside active duty and what should be in Guard and Reserve. So we have a lot of work ahead of us, but I don't want to lose really the human beings who are the ones, you know, leaving their jobs, leaving their families. I met somebody who is on his third tour here in Iraq.

Sen. GRAHAM: Yes.

Sen. **CLINTON**: And, you know, 20 percent of our Guard and Reserve members don't have health care. And we found that when they were activated, a number of them were not medically ready to serve. We want to provide more security, health care, and retirement security for Guard and Reserves and their families because in this new world of global terrorism and the challenges we face, we need these young men and women. We need them to join. We need them to be recruited and retained, and we've got to do right by them.

Sen. GRAHAM: There's one thing that we need desperately here. We need a bigger international presence in Iraq. After the elections, we have momentum. People really do sense that they can be free. They're working together in a productive fashion. They're working under conditions that we can't even imagine at home, trying to find a consensus as a nation to be free and maintain their freedom. The UN is being requested to have a larger presence by the Iraqi people. The UN needs to be here in a larger presence. NATO could provide security for the UN. We're being stretched. So I hope the international community, international organizations, like NATO and the UN, will come help the Iraqi people because this really is about the world being free, not just the United States and Iraq.

SCHIEFFER: Well, let me just ask you this. Do you believe the administration shares your view on that? Will there be an outreach to NATO? And what do you need NATO to do because as I look around, I don't see any NATO nations volunteering to send troops over there?

Sen. GRAHAM: Well, the truth is that NATO nations are sending armaments; they're doing some training. But the UN presence needs to grow. And the Iraqi people through their government are going to ask for a larger UN presence. It seems to me that a good mission for NATO would be to provide security for a larger UN footprint. This is not about legitimizing an American mistake any longer, this is about the future of Iraq, their desire to be free and changing the region. So I hope NATO will be open-minded to come to Iraq to help the United Nations. And that would be a turning point in this whole fight to maintain freedom.

SCHIEFFER: All right. Let's take a break right here. We'll come back in just a minute.

(Announcements)

SCHIEFFER: We're back now with Senators Hillary Clinton and Lindsey Graham.

Let's shift just quickly to domestic subjects. Senator Graham, the Republicans in the House say they're not interested in increasing the limit on the amount of income that can be taxed

for payrolls, security tax, and that, of course, is your plan to make Social Security solvent. What do you think is going to happen on Social Security here?

Sen. GRAHAM: I hope what will happen this time is what Ronald Reagan and Tip O'Neill did. Ronald Reagan agreed to increase tax rates to save Social Security. Tip O'Neill agreed to increase the age from 65 to 67. The president has been very brave. He's been a good leader. He's putting options on the table, including raising the cap for people over \$90,000 to contribute more to save Social Security. We need to do this in a bipartisan way, park our ideology, find common ground, like Ronald Reagan and Tip O'Neill. I'm hopeful we can do that with presidential leadership and the Congress stepping up to the plate.

SCHIEFFER: Is the president going to have to buck his own party to get Social Security reform passed, Senator Graham?

Sen. GRAHAM: We're going to have to come together as Americans and do what Ronald Reagan and Tip O'Neill did. The Republican Party cannot fix this by themselves. Ideology will not fix this. This is going to take--give and take and sacrifice by both parties will be essential. If we ever save Social Security now or tomorrow or 20 years from now, you can't do it be being stuck with rigid ideology. Ronald Reagan and Tip O'Neill taught us that. I think this president understands the lessons of 1983.

SCHIEFFER: Senator Clinton, would you be willing to increase the amount of income that can be taxed under Social Security as part of a package for Social Security reform?

Sen. **CLINTON**: Well, Bob, I'm waiting to see what the president proposes. We don't have a plan yet. I want to wait and see what the specifics are, and my goal is to, you know, do whatever we can do together to try to make sure that Social Security is there and not do any harm to it in the process.

SCHIEFFER: Well, I mean, do you--would you think that would be a tax increase, as some Republicans are saying?

Sen. **CLINTON**: You know, I'm not going to get into the specifics until we see a plan. I think that Senator Graham has come forward with a very specific proposal that would not, you know, lead to increasing the debt, which is one of my givens. I'm not interested in making us an even more indebted nation, especially when we have obligations like I see right here around me in Baghdad. But I'm going to wait and see what the president proposes.

SCHIEFFER: Senator Graham, would that be a tax increase, in your view?

Sen. GRAHAM: In my opinion, it would be a higher contribution for people who can afford to make it, because you literally get some of your money back. You're paying into the system at a higher amount. You could actually lower the rate from 12-4 to a little bit less for those who make under \$90,000. The key--the point I'm trying to make is I'm willing to sacrifice. I make over \$90,000. I'm willing to ask people like myself to give more for the common good. Social Security's going to fail down the road, and people who need it the most are going to be hurt the most. If we come together now and make some sacrifice, we can solve this problem. And the president's put options on the table. Congress needs to also meet him halfway.

SCHIEFFER: I want to thank both of you for being with us this morning.

Sen. **CLINTON**: Bob, thank you. We're being...

SCHIEFFER: I know you're in a rush.

Sen. **CLINTON**: ...told we've got to leave now.

SCHIEFFER: Thank you very much.

Sen. **CLINTON**: But we'll see you back in Washington.

SCHIEFFER: OK.

Sen. **CLINTON**: Thank you.

Sen. GRAHAM: When you travel with Senator Clinton and McCain, you're 'the other senator.'

SCHIEFFER: For security and scheduling reasons, we recorded that interview yesterday.

"Meet the Press," NBC, 2/20/2005

MR. RUSSERT: Senator Clinton, how would you describe the scope of the insurgency?

SEN. **HILLARY RODHAM CLINTON**, (D-NY): Well, Tim, this is an issue that Senator McCain and the rest of the delegation and I have been probing because it is something that concerns us. When I was here last at the end of 2003, at least with respect to Baghdad, I was not under as severe security restrictions as we are at this time. So obviously, the number of attacks average about 50 a day, we're told. But there are parts of the country that are fairly secure and stable. I think the important thing is to recognize that the Iraqi security forces are now more engaged, and have to be, and the new Iraqi government, as it takes hold, will assume greater and greater responsibility for dealing with the insurgency. So we are watching this and trying to gather as much information as possible, but it's really now going to be largely up to the Iraqi people and their new government to determine how effective this insurgency is in the future.

MR. RUSSERT: Senator McCain, the director of the CIA, Porter Goss, said this week that Iraq has replaced Afghanistan as the new breeding ground for international terrorists. Have you learned anything about that during your trip so far?

SEN. McCAIN: I don't think that there's anything illogical about that. Iraq has attracted people from all over the Middle East to come and fight, and they are being financed at least to some degree, by the same people that financed al-Qaeda, including some who didn't. And I think it's a major challenge, and it argues for success. If we fail, then this place would become the breeding ground, and I think we all understand that we're not going to win the war on terror inside the borders of the United States of America. That, I think, indicates how much is at stake here.

MR. RUSSERT: Do you believe we have enough American troops on the ground right now?

SEN. MCCAIN: I think we have in numbers probably enough. I would very much like to see more Marines, more Special Forces, more civil affairs people, more linguists, but the critical time was about two years ago at the beginning when we didn't have enough troops here to stop the looting, to bring about a reasonable environment in places like Fallujah, Ramadi, Mosul and other places in the, in the Sunni triangle. I think we're paying a very heavy price for the mistakes we made. But having said that, we cannot afford to lose, and I have to be "guardedly"--and I emphasize that--optimistic about what has happened mainly because the Iraqi people took such great risks to go and vote in risking their own lives so that they can choose their own government. I think it showed a determination on the part of the Iraqi people, which surprised many and pleased most of us.

MR. RUSSERT: Senator Clinton, what should the American people know about the number of American troops that will have to remain in Iraq for a considerable period of time?

SEN. **CLINTON:** Well, Tim, we have just finished meeting with the current prime minister, the deputy prime minister and the finance minister, and in our meetings, we posed the question to each of them as to whether they believed that we should set a firm deadline for the withdrawal of American troops. To a person, and they are of different political parties in this election, but each of them said that would be a big mistake, that we needed to make clear that there is a transition now going on to the Iraqi government. When it is formed, which we hope will be shortly, it will assume responsibility for much of the security, with the assistance and cooperation of the coalition forces, primarily U.S. forces.

So I think that what the American people need to know is, number one, we are very proud of our young men and women who are here, active duty, Guard and Reserve. We've seen many of them today, and we'll see more of them tomorrow. And so we all can be very grateful for their service and also very admiring of their sacrifice for other people's freedom. But secondly, we need to make sure that this new government in Iraq can succeed. There are lots of debates about, you know, whether we should have, how we should have, the decisions that were made along the way with respect to our involvement here. But where we stand right now, there can be no doubt that it is not in America's interests for the Iraqi government, the experiment in freedom and democracy, to fail. So I hope that Americans understand that and that we will have as united a front as is possible in our country at this time to keep our troops safe, make sure they have everything they need and try to support this new Iraqi government.

MR. RUSSERT: Then you would disagree with any call for immediate withdrawal of some troops or a specific timetable?

SEN. **CLINTON:** Well, Tim, I understand the feelings behind that call. I mean, there is a lot of reason when we're back at home to argue about this policy. But at this point in time, I think that would be a mistake. I don't believe we should tie our hands or the hands of the new Iraqi government. Now obviously, as this government is stood up and takes responsibility, there may come a time when it decides for its own internal reasons that we should set such a deadline and withdrawal agenda. But right now I think it would be a mistake.

We don't want to send a signal to the insurgents, to the terrorists that we are going to be out of here at some, you know, date certain. I think that would be like a green light to go ahead and just bide your time. We want to send a message of solidarity. And in addition, I would hope that at this point now, we could get more international support. It is not in

anyone's interests, not, you know, the people in this region, in Europe or elsewhere around the world, for the Iraqi government to be brought down before it even can get itself together by violent insurgents. So it's not only U.S. commitment, I think and hope that there should be commitment from others as well.

MR. RUSSERT: Senator McCain, the exit strategy that is the most obvious to all is that the Iraqis train 200,000 men and women who are willing to shed blood for their new government. Realistically, straight talk express, how long will that take?

SEN. MCCAIN: Years, to do it completely. I'm hopeful that within a year or so that we will see the transfer of these responsibilities being passed over to Iraqi military and police. As Senator Clinton pointed out, in the south in Basra, and in the north in the Kurdish areas, it's very stable. But the Sunni triangle is still incredibly volatile. And could I just add one point to what--in response to the question you just asked Senator Clinton. It is in everybody's interest to see democracy succeed. And our European friends can help us in a thousand ways. These people need computers. They need paper. They need training in setting up bureaucracies and institutions of government. We plead with our European friends, take part in this. It's in your interest to see it succeed as well as ours. And for the life of me, I do not understand why the Europeans haven't been more forthcoming.

MR. RUSSERT: Let me turn to the results of the election. It appears that Ibrahim Jafari may emerge as the Shiite candidate for prime minister. He has spent considerable time in Iran. His party, the Dawa Party, has had terrorist connections in the past. Senator McCain, what do we know about this potentially new prime minister?

SEN. MCCAIN: Well, I think we know that he is the--probably going to be the prime minister. But let me also point out, the Shias were split, number one. And two, they got less than 50 percent of the vote, which means they are not the majority party. And they do want to work with Sunnis. They do want to work with the Kurds. And even if they didn't want to, they could not, according to the rules of the adoption of the constitution, act unilaterally.

And by the way, everyone that we've talked said they understand that they have to welcome the Sunnis into the government. They have to respect the rights of the Sunnis, and there is a significant number of Sunnis that want to be part of the process. Now, there's a lot that aren't.

Iran is certainly a threat. When I say that, Iran has had designs on this, this country, they've fought a couple of wars, as you know. But I do not believe that Persians are going to be that popular with Arabs, number one. Number two is that just because they share the same religious ideals does not necessarily mean that they want the Iranians to have an inordinate influence on Iraq. I think they are nationalists first and Shias second, at least that's my hope.

But I also want to emphasize again, this is going to be long, hard, tough, difficult. These people have never had this experience. And we're asking them to set up a very delicate process, and it's going to be extremely tough. We're going have setbacks, is what I'm trying to say.

MR. RUSSERT: Senator Clinton, are you concerned that the new prime minister of Iraq, Mr. Jafari may, in fact, have strong connections with Iran, and what do we know about his background? Who is he?

SEN. **CLINTON:** Well, Tim, I think that there, there are grounds both for concern and for, you know, vigilance about this. But again, I am willing to look at the situation and, you know, not yet jump to any conclusions. First, it is a historical fact that he, along with the Dawa Party, have had connections with Iran. Now, part of that was because, you know, the enemy of my enemy is my friend and there was an effort in the opposition to Saddam Hussein to get support from anywhere you could. So naturally, given Saddam Hussein's attitude toward Iran and toward the Shias and the Kurds, people were looking for help and support. There are also family ties and religious ties.

However, there was a very strong message conveyed to us in our meetings, including by the finance minister who is part of the overall Islamic alliance, that they understand very well the need for them to be independent and they're striving to achieve that. It is like any nascent democracy. There are going to be bumps along the road. But I don't believe there is, by any means, a large body of opinion that wants to cede independence and control over Iraq's future to Iran.

Having said that, I think we have to watch this very closely. There are obviously areas of influence. There is a temptation on the part of the Iranians to try to fund, you know, their own interests on this side of the border. But there are some checks and balances in the law, and I hope that they will be embodied in whatever constitution goes forward. And the final thing that I would say is that we need a vigorous involvement by Sunnis and we need a vigorous involvement by other Shia who are not in any way connected with Iran as well as the very strong involvement of the Kurds. So given the way this is playing out now, I think we should just withhold judgment as to what--who will emerge and what that will mean.

MR. RUSSERT: Senator McCain, speaking of Iran, Russian President Putin said yesterday that he is convinced Iran does not intend to build nuclear weapons. As you know, President Putin has also been responsible for some very undemocratic actions in his own country. What should President Bush say to President Putin on Thursday when they meet about Iran and about what's going on in Russia?

SEN. McCAIN: Well, I think he should say, "Vladimir, you made a serious foreign policy mistake in your handling of the Ukraine elections, and you're making another serious mistake as regards to Iran." The evidence is overwhelming that Iran, at least, has made enough steps towards acquiring a nuclear capability that we should all be concerned, and the evidence is very clear. And so I believe that Mr. Putin has got to understand that he is on the verge of isolating himself in many respects, whether it be in his war on Chechnya, whether his refusal to remove his bases from Georgia, his latest performance as far as Ukraine is concerned and now a mistake in foreign policy towards Iran--this Iranian situation. We should join together with Russia and stop the proliferation of weapons of mass destruction wherever they may be, including Iran's nuclear capability.

MR. RUSSERT: Should we begin to think about excluding Russia from the so-called G8, the gathering of industrialized nations?

SEN. McCAIN: Absolutely. I thought we should do that some time ago. And the damage that Mr. Putin is doing to his own economy, because he's going to discourage outside investment with his treatment of the Yukos thing, but he should be excluded from G8 because his behavior obviously, in my view, warrants at least temporary exclusion.

MR. RUSSERT: Senator Clinton, how do you feel about the meeting between President Bush and President Putin this Thursday?

SEN. **CLINTON:** Well, Tim, I'm hopeful that the president will not just look into his soul but perhaps convey a very strong case against some of the moves that President Putin has been making. I really regret that because of the focus on Iraq, understandably so, it appears that we have taken our eye off the ball in a number of places around the world, and I would include Russia in that.

You know, I am not yet in favor of, you know, taking actions like excluding Russia from the G8. I think we need to have vigorous diplomatic engagement at this point. And the administration, at least to my view in trying to follow this, has not really been so engaged. At the end of such engagement, at the end of an effort to try to, you know, move President Putin back on the path to democracy and free market economies and other matters internally, as well as trying to speak out strongly and engage him on the basis of some of the interference in Ukraine and elsewhere, if that proves unsuccessful, then perhaps I would agree that we have to take some additional measures. But I first would like to see the president and the administration re-engage at the highest levels and be very vigorous in their diplomatic efforts with Russia.

MR. RUSSERT: Senator McCain and Senator Clinton, if Iran just refuses to stop development of their nuclear program, what do we do?

SEN. MCCAIN: I think we have to first convince our European allies of the magnitude of this threat and the necessity to take action. The Europeans, at least to a large degree, are only interested in carrots and no sticks. So we have to convince them of that. Then we have to go to the United Nations for diplomatic and economic sanctions if necessary.

We cannot rule out completely the military option if, if it's absolutely the absolute last resort, but there's a lot of things we can do in between time. Look, a nuclear-capable Iran in this part of the world is incredibly unsettling, including to the state of Israel. So it's a serious challenge, but I would exhaust every possible measure before considering the military option. But you cannot completely rule it out. First step, let's get united with the Europeans or have them unite with us as we go for sanctions if it's necessary.

MR. RUSSERT: Senator Clinton, do you agree we cannot rule out a military option?

SEN. **CLINTON:** Well, Tim, I think, first of all, we do have to get engaged. I believe that the United States should be at the table and not just outsource this important negotiation to the Europeans. You know, I just have a fundamental disagreement, I guess, with the attitude of the administration with respect to a number of difficult areas. You know, I don't think it hurts us to be vigorously engaged, to be there, you know, conveying our point of view, to make sure we're aware of, you know, every possible option for both carrots and sticks. And I think with both Iran and North Korea, we've been missing.

Now, one can argue that that was a deliberate strategy by the administration because, you know, in the end of the day they're more interested in regime change than in anything short of that. I hope that's not the case. And one way they could disprove that suspicion is by becoming vigorously engaged with Great Britain, France and Germany, and also with Russia.

You know, what Putin said the other day was they were going to try to set up some system that would involve the control over the plutonium, and, you know, take spent fuel rods in and out of Iran. I don't know how realistic that is, but, you know, it would be very difficult for us to, you know, intervene and stop that or at least understand better whether it could be accomplished with appropriate safeguards when we're not involved.

So I would hope, first and foremost, that, you know, we get re-engaged. As important as Iraq is to our future in so many ways, I think we've seen that there are a number of other places around the world that can have a direct impact on our national security and, therefore, I would hope we would, you know, be able to really get to the table and see what we could do before there's any talk of anything else.

MR. RUSSERT: But you would not rule out a military option?

SEN. **CLINTON**: Well, you know, Tim, I don't think that you either rule it in or rule it out. I think that, you know, depending upon circumstances, it's something that, you know, the American government would have to, you know, consider. But, for goodness sakes, I think we are a very long way from beginning to have that conversation, if we ever have to have it. But I don't believe in having any president of the United States or anybody, you know, in a position like Senator McCain and I in the United States Senate, you know, saying we would take anything off the table. But before we get to that question, let's try to, you know, deal with the many other possibilities.

MR. RUSSERT: Let me turn homeward on an issue that is very important to people watching this morning, and that is Social Security. Senator McCain, there's a big debate in your Republican Party about whether or not, as part of the solution to Social Security's solvency problem, that you lift the cap so that you would pay payroll tax, Social Security tax, not just on the first \$90,000 of your income, but perhaps even higher. Could you support that as part of a compromise?

SEN. McCAIN: As part of a compromise I could, and other sacrifices, because we all know that it doesn't add up until we make some very serious and fundamental changes. I'm proud of the job that Senator Lindsey Graham has been doing in his leadership position on this issue and showing some courage.

Look, in 1983, we all know that Tip O'Neill and Ronald Reagan agreed, and Republicans and Democrats agreed. If you examine that agreement, it had to do with increasing the retirement age, increasing taxes; there was a lot of sacrifices that were made. But it was the only way to save it. So my answer is, if everything's on the table, certainly that should be something that's on the table because, according to polls I've seen, that's the one, the one thing that most Americans agree is probably a viable option, but not by itself but with other, with other changes that need to be made. And if we don't, then we might as well say, "Look, it's not going to change."

MR. RUSSERT: Senator Clinton, last week on this program, Congressman Charlie Rangel of New York said the president's plans for Social Security reform are dead. Do you agree?

SEN. **CLINTON**: Well, we don't know what the plan is yet, Tim. So it may be a little premature to make such an announcement. But until we know exactly what is being

proposed, it's kind of a vacuum at the moment. So I'm waiting to see what the president proposes.

MR. RUSSERT: Before you go, you both had a chance to speak before the New Hampshire Chamber of Commerce this week. Why New Hampshire? Why did you choose to speak to the New Hampshire Chamber of Commerce?

SEN. McCAIN: You want to answer it first?

SEN. **CLINTON**: Well, Tim, I was--that's right. After you, Alfonse. I was asked to speak to the Portsmouth Chamber of Commerce, so it wasn't statewide, by our colleague, Senator Sununu. And I must rush to disabuse you, if there's anyone watching and thinking of a great big audience and drawing whatever conclusions one wishes. In a very small room in the Capitol, there were about eight or nine people sitting around a table, and we had a lovely discussion.

SEN. McCAIN: And my excuse is that John Sununu asked me to speak to them, and I was glad to do so. And I spent some time in Portsmouth in the year 2000, and I enjoyed their company. And by the way, one of their issues was the BRAC process as was to whether the Portsmouth Naval Shipyard would survive or not, and I did not assure them that was necessarily the case, although it's certainly a wonderful shipyard.

MR. RUSSERT: Senator McCain, a serious question: Do you think the lady to your right would make a good president?

SEN. **CLINTON**: Oh, we can't hear you, Tim. We can't hear you.

SEN. McCAIN: Yeah, you're breaking up. I am sure that Senator Clinton would make a good president. I happen to be a Republican and would support, obviously, a Republican nominee, but I have no doubt that Senator Clinton would make a good president.

MR. RUSSERT: Equal time, Senator Clinton. The gentleman to your left?

SEN. **CLINTON**: Absolutely.

MR. RUSSERT: We may have a fusion ticket right here.

SEN. McCAIN: Thanks for doing that to us. Thanks for doing that to us, Tim.

MR. RUSSERT: A fusion ticket.

SEN. McCAIN: We're both in trouble.

SEN. **CLINTON**: Yeah. We're in trouble now. Thanks a lot.

SEN. McCAIN: We're both in trouble.

MR. RUSSERT: Be safe, everybody.

SEN. **CLINTON**: Thanks, Tim.

SEN. McCAIN: Thank you.

MR. RUSSERT: And coming next, our roundtable talks about the appointment of John Negroponte as the nation's first director of national intelligence, appointed by President Bush. And the world's hot spots: Iraq, Iran, North Korea and more, all coming up right here on MEET THE PRESS.

(Announcements)

MR. RUSSERT: Our roundtable with Katty Kay, Andrea Mitchell, Dana Priest and Robin Wright, after this brief station break.

(Announcements)

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS FOR COMBATANT COMMANDERS, 3/1/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much.

And thank you, gentlemen.

General Abizaid, thank you for taking time out last week to meet with the CODEL that Senator McCain led, the first march through CENTCOM. And I appreciate all that you're doing and your sensitivity to these difficult political issues as well as the military ones.

I wanted to follow up on the direction that Senator Reed was heading with his questions.

I am concerned about what does develop with the new Iraqi government and I think, largely, it is out of our hands. From, you know, the experiences we had and the conversations that we engaged in, much of what will happen in the future depends upon the statesmanship and patriotism of whoever emerges as the head of this government.

And I know that there are a number of forces at work to influence how that government is established and what positions it might take.

And I was hoping, General, that you might enlighten us on your current assessment as to, you know, what role the neighbors are playing, particularly Iran, but not exclusively Iran, whether Syria, Turkey, are involved in the political side, because, to me, that's the most important dynamic that's occurring right now.

ABIZAID: It's a very difficult question.

First of all, thanks for coming out there. It was good to have you and the delegation out there.

The most frequently talked about difficulty for the emergence of a new government comes -- and it's really talked about more inside Iraq than it is anywhere else -- and it has to do with the degree to which Iran will exercise some sort of control over the new government.

ABIZAIID: And there's a lot of concern in the Sunni Arab community, in particular, that Iran is seeking to make Iraq a puppet state.

I know an awful lot of the people involved in this process of building a new Iraq, and I believe that they're Iraqi Arabs before they're anything else. And, yes, they're Shia; yes, they have been in the past friendly with Iran, but I do not believe that there is much of an impetus inside of Iraq for a Shia theocratic-style state to show up, like is evident in Iran.

I think it's very unlikely. I think they'll move toward something very Iraqi, very Arab, but also that, by necessity, must be very inclusive.

Now, the Iranians have played an unhelpful role. They played an unhelpful role with Muqtada al-Sadr. They continue to have significant intelligence activities inside of Iraq that are of concern, not only to us, but to everybody that believes in the sovereignty of Iraq.

So the most important message for the Iranians is that Iraq is a free and a sovereign nation that will develop its own future.

I think it's inevitable that Iran and Iraq will have a closer relationship, certainly, than they did back in the days of Saddam. But on the other hand, I believe that Iraq will be drawn more into the orbit of its Arab neighbors than Iran.

As far as Syria is concerned -- you know, there's another model that the Shia talk about, and that other model is what they would call a Salafist extremist state would emerge. And they say they would get this sort of support from a place like Syria.

I don't find that very likely. I don't think that the Syrians or anybody else in the region have any interest in an extremist, religious Sunni type of state to emerge whatsoever. This is the mantra of bin Laden's, Zawahiri, Zarqawi, et cetera, and it is very unlikely that there would ever be enough support for that to happen, although, we shouldn't underestimate their ability to intimidate people and to cause damage and to terrorize people toward that direction.

Syria also plays an unhelpful role in that. I think they're ultimately worried about what the United States will do in the region and their future. And so they think by continuing to stir the pot in Iraq, they will avoid whatever they think might be coming.

And really, again, the message to Syria is the same as to Iran: Help in the stability of Iraq, and you'll help your own peace and prosperity. It's a very, very simple equation.

The Turks look down to the south, and they're worried about a Kurdish state emerging. But the Kurds and the Shia and the Sunni of Iraq, they're no fools. They know they have to move together or the state will break up and their worst nightmare will come true.

And so, again, the message for Turkey, a good ally, is: The Kurds will move together within a sovereign Iraq with the Shia and the Sunni to build a new community.

Looking to Saudi Arabia, the Saudis are concerned. Continued instability in Iraq is a problem for Saudi Arabia.

It's a problem for Kuwait. It's a problem for all the smaller Gulf states. There is a school of thought that the insurgency in the Sunni Arab community will spawn additional terrorism to the south, especially in the Gulf and in Saudi Arabia, and it's a legitimate concern.

So the sooner the nations in the region control the movement of these extremist jihadists, the sooner we'll be able to control the pace of the insurgency in Iraq and achieve stability in the region.

Ultimately, as stability is achieved, obviously we bring down our force structure, because over time it's not to anybody's interest to continue to have a large American presence there.

We need to have a shield that helps the region move toward moderation and prosperity and peace; we don't need to have a domineering military presence there.

But until Iraq can be stabilized, Afghanistan can be stabilized, and Pakistan and Saudi Arabia have a chance to help themselves against extremists, we'll be there for a while.

CLINTON: Thank you, General.

General Jones, thank you, too, for your extraordinary leadership in Europe. I appreciated being with you at the Munich Secretary conference. And certainly, NATO's going through some challenging times, but your presence there is very important.

I wanted to ask you about Darfur, and I apologize if somebody has already asked you, because I couldn't get here any earlier.

When we were in Munich, one of the requests that is very clear, in the conversations I had, is that if there's any hope -- if we're going to have a deadlocked Security Council -- which I think, unfortunately is, at this moment, a fact and I regret it, and I think it has to do with China and Russia and oil and lots of other things that the Sudanese government is promising. And unless we're able to break that loose -- and I hope we're still trying -- then the African Union is basically down there inadequately prepared to deal with what we expect them to do.

And when talking with people who know about the situation of the African Union, a number of responded and said that what they need more than anything is just one transport plane. They just don't have any way of getting around. They have very little logistics, very little command and control.

Is there any potential for one of the member states of NATO helping or NATO themselves helping, because I just feel like this is one of those situations that we're all going to look back on and wonder: How did we let it happen again?

JONES: Darfur has been a subject of the secretary general of NATO's discussion with them, the North Atlantic Council, but it hasn't resulted in any traction for the alliance to do something as an alliance.

JONES: It is a horrific situation, but whatever's being done is going to have to be done on a bilateral basis, because the consensus has not emerged in the North Atlantic Council.

It's regrettable, but the secretary general is doing what he can to illuminate the problem and to force discussions on it. But as yet there has been no consensus with regard to any kind of NATO mission there.

CLINTON: Well, my time is up, but I just find that so regrettable, because, you know, here we are, it's 2005, we can't get the Security Council to do anything, we can't get NATO to do anything, you know, and everybody knows what's happening.

And, you know, we do have these relationships with the African Union, and I know you've really advanced our commitments there.

And I look at this extraordinary map and see these developing partnerships, you know, our credibility, it seems to me, is going to be very low if we can't even get them a transport plane or do something to help them with some visible means of support.

So, you know, perhaps this could be carried on at, you know, at a level within our own government, because I just worry that all the good work you're trying to do in Africa will look like it's basically insubstantial and unsupported.

JONES (?): We periodically point out that one of the qualities and capabilities built into the NATO Response Force is, in fact, to do humanitarian relief and disaster relief operations. So it's a capability that is increasingly resident in our portfolio, so to speak.

But as you know, in order to act, we need the political consensus. So when that comes, I think that within the inventory of NATO there's quite a few things that we could do in disaster relief and the one you're talking about in particular.

CLINTON: Thank you.

Thank you.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON THE PRESIDENT'S PROPOSED BUDGET REQUEST FOR FISCAL YEAR 2006 AND THE FUTURE YEARS DEFENSE PROGRAM, 3/3/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

I thank all of you gentlemen for being here. We appreciate your service and your patience.

I want to try to clarify for my own concerns the treatment of wounded soldiers, both active-duty, Guard and Reserves.

And first to Secretary Harvey. I've previously requested information about this situation arising and first coming to my attention because of the condition of Specialist Robert Loria of Middletown, New York, who lost an arm serving our nation in Iraq.

And last year as he was getting ready to return back to New York for the holidays, he was expecting to receive a paycheck of about \$4,500. But instead he was told by the Army that he owed the Army money.

It appears that Specialist Loria was caught up in bureaucratic red tape. He was being billed for travel and expenses that he should not have owed. And in the course of intervening on behalf of Specialist Loria, I was told that the Army had identified 19 more soldiers who were treated the same way.

Then my office began receiving additional complaints about the way wounded soldiers' debts and pay issues were being handled. So I wrote to you, Secretary Harvey, on January 19th asking that you examine whether this was a systemic problem.

And, Mr. Chairman, I ask unanimous consent that my letter to Secretary Harvey be included in the record.

WARNER: Without objection.

CLINTON: I asked Army Vice Chief of Staff General Richard Cody about this at a hearing a couple of weeks ago. And on February 4th, he sent me a letter saying that the Army had identified 129 soldiers with payment and debt issues but that the Army had put systems in place to rectify the problem.

He also stated in that letter that I would be receiving a more formal response later from Secretary Harvey.

And, again, Mr. Chairman, I ask consent that this letter be placed in the record.

WARNER: Without objection.

CLINTON: Now, General Cody's letter stated that the Army had assigned an audit team to find and recommend solutions to the pay problem.

So my questions are the following: Now, Specialist Loria was based out of Fort Hood, and did the Army conduct audits for units other than those based out of Fort Hood?

Secondly, does the figure of 129 cases of wounded soldiers that experienced pay issues related in General Cody's letter reflect just soldiers based at Fort Hood or was there a broader examination of the issue in the Army?

Thirdly, does the Army plan to go back and audit the treatment of all wounded soldiers who have left Walter Reed or other facilities to see if they had pay problems?

And finally, I would like to request that the Army provide to me and the committee that status of all audits of pay problems of wounded soldiers, as well as an update of a number of soldiers who have been identified as having such pay problems. Because I'm concerned that we don't perhaps have a full understanding of this problem.

And that is compounded by the recent story about the way Guard members and reservists are being treated. Because right now when a reservist or Guard member is sent to a military hospital in the United States, their overseas orders are revoked and they lose their combat pay allowance. And since they can't go back to their civilian occupation while they remain in the military hospital, they and their families suffer a financial disadvantage.

So we're looking for ways to really understand the extent of this problem. We know we have more than 11,000 wounded soldiers, Marines and others.

And so, first, Secretary Harvey, with respect to my specific questions, I did receive a letter just today from General Hagenbeck providing additional information.

I'd like to include that in the record, as well.

WARNER: Without objection.

CLINTON: But I'm worried that this is a much broader problem than we are yet focusing on.

HARVEY: Thanks for your questions. As I said in my opening statement, attaining a quality of life for our soldiers and their families that match the quality of their service is very important to me. It's my number-one priority, when I go around to bases, is providing for their well-being. This is a component of it.

I, like you, in general, it's disturbing that these things happen. They shouldn't happen. The objective here is perfection. I don't want to see any wounded soldier have any problems with pay.

Now, when I first got on board, I was given these briefings about how we're going to fix this through information systems. I said, "You know, I've been down this road a long time." And next I'm going to hear is in 2009, we'll have perfection. And that's when you get these information system briefings, that's what you get. And maybe in 2009, the world will be perfect.

But, you know, what are you going to do today? And we have set up and beefed up our hotlines so that if there's any problem -- it doesn't matter whether they're wounded or not, but wounded are very important -- that they have a means and a short-term means to get this resolved.

I'm pleased to say that in the Guard the statistics -- the Guard and Reserve statistics I have are that February of '05 there was something on the order of 15,000 requests a day or a week on pay problems. December, it was down to 400. That's progress, but 400 is too many. Zero is the objective.

In the active, we try to resolve pay problems. Our objective is 90 percent the first day. We're about 75 percent.

So we're taking actions, Senator, in order to fix this. And my plan is not just to -- this is just not a Fort Hood problem. This has to be a system-wide problem, and that we will audit and ensure that this is the case.

Now, in this hotline which also for the techie types is also an Internet site that you can go to and get, you know, the frequently asked questions answered. There's a software package behind that, also behind all the phone calls, we where get the reasons why it happened so that we can take corrective action in the system.

So besides just answering it and trying to fix it, we want to know where the system problems are, so as we develop these systems and interconnect and link up the financial system with the human resource system that we, in fact, fix this forever.

CLINTON: Thank you.

HARVEY: But I will keep you informed of that. I am aware of your letters. And I will give you a comprehensive response. General Cody gave you response. General Hagenbeck gave you response. And as we go and do these audits, I'll certainly keep you informed of that.

It's an important issue, my number-one priority is soldiers and their families. And I'm going to put words into actions. I'm glad you're concerned. I'm concerned. And we're going to take care of this.

I hope that I'm up here next year and you're going to say, "I haven't heard of anything for the last three or four months."

CLINTON: That's my hope, as well.

And could I just very briefly ask each of the secretaries if they would support efforts to ensure that wounded Guard members and reservists don't lose their combat pay allowance while they are in a military hospital and that we postpone that until they are discharged?

Secretary Harvey and then Secretary England.

Secretary England?

ENGLAND: I guess I'm not familiar with the issue, Senator, so, I mean, I'm inclined to say yes, but I'm not sure of this issue.

CLINTON: "Yes" is the right answer.

(LAUGHTER)

ENGLAND: I'm not familiar...

(CROSSTALK)

ENGLAND: This is an easy one. Yes, my colleague's in favor. I'll support him. So the answer is yes.

TEETS: Indeed, senator.

CLINTON: Thank you.

And finally, Mr. Chairman...

WARNER: Thank you for asking that question and clarifying that, because, you know, thousands of families are following these hearings and trying to ascertain the simple answer that you've elicited from these persons with the responsibility to see that it happens.

Thank you.

CLINTON: Thank you.

And one final point, Mr. Chairman. I've heard that there are some efforts, with respect to the supplemental, to decrease the amount of money going to Afghanistan reconstruction efforts. And I know there are many competing considerations within our military and stability needs.

But having just returned from Afghanistan, I think that would send a terrible signal. I mean, one of real challenges we face is demonstrating to the people and government of Afghanistan, the region, and the world that we are there for the long-term, we are committed, we are not walking away from this responsibility.

I'm very enthusiastic about the leadership of President Karzai and his government. But the city of Kabul, the countryside is in just terrible shape. And the help that they need in order to get on their feet is something that I hope we will continue to place as a high priority.

Thank you, Mr. Chairman.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON THE NOMINATION OF ANTHONY PRINCIPI TO BE A MEMBER OF THE BASE REALIGNMENT AND CLOSURE COMMISSION, 3/15/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman. I appreciated the last exchange, because I can't resist saying Fort Drum, New York, has live training, live-firing training ranges that are totally without any objection from anyone anywhere and we could grow considerably, Mr. Secretary.

I thank you for being here and I thank you for this continuation of your public service. It has been a real pleasure to work with you in the past and I look forward to continuing our relationship.

I really appreciated the answers that you gave to the questions that we submitted to you in advance. And I am very particularly grateful for the way you answered with respect to what was required of you as chairman, and just for the record I think this really bears repeating, and I quote, "As chairman, I believe it is important to set the tone for our deliberations, to ensure that our work is devoid of politics, to address potential conflicts of interest, to be

independent, fair, open and equitable, to build consensus and to ensure the communities and people impacted by the BRAC process have an opportunity to be heard," unquote.

I could not have anticipated a better response, and it really fits with everything that I know about you and the work that we've done together.

Obviously, each of us is concerned about our overall configuration for the future, where bases will be, what those base's missions will be, how we move people from overseas back home. There are just a lot of large, unanswered questions that you will have a major role in helping us answer. And then we each have to be concerned about what happens in our individual states, and I know that you are aware of the long history of New York's contribution to our military.

In fact, I think, Mr. Chairman, I was told the other day that certainly going back to the very beginning of our nation, New York has sacrificed more people in the service of our country than any other state, and we are very proud of that. But we didn't have a good experience in the last BRAC process. I wasn't part of it, but I have talked to enough people who have reported to me the demoralizing, discouraging impact of having the professional recommendations at the last minute for political reasons overturned. And we ended up losing two air force bases, Griffith (ph) and Plattsburg, that, you know, ended having any significant air force presence along our northern border for, you know, most of the United States. And now, of course, with the additional needs of moving quickly across the Atlantic to Iraq and Afghanistan, of our homeland security demands, in retrospect, you know, that may not have been a wise decision.

So we are looking forward to and counting on you to be able to fulfill those very significant pledges that you made in your answers to our questions.

One matter I would like to raise is, I know that there was some problem with the CARES process, that you were very, very receptive to dealing with, and that was a lot of local communities felt they didn't get a chance to be heard. Have you given any thought as to how you will ensure that communities have an adequate opportunity to make sure their views are heard?

PRINCIPI: Yes, Senator, I think it is terribly important, and we certainly tried to do so with CARES. We may have failed in some instances, but that was really a very core component.

Certainly, in addition to the Washington hearings, I intend to have regional hearings across the country. You know, geographically located so that people will have access and can testify, not only state and local officials, but private citizens.

It is my intent, although I haven't seen the list, don't know what's on the list, to send commissioners out to every installation that is going to be impacted by the recommendations that come forward and an opportunity to meet with people, both the base commander, the local officials and to the degree possible the private sector. And then I'm sure we'll have a Web site setup where we can, you know, get information from the local community.

So I think if we're going to succeed and we're going to alleviate the cynicism and the political mistrust, we have to reach out to the people and give them an opportunity to be heard.

I think our challenge, Senator, is that the timelines are so tight. May 16, a report has to be in to the president by September 8. That's a tough, tough row to hoe but we'll do our best.

CLINTON: Well, I appreciate that, and I know that the criteria that have been adopted, you know, certainly give us the guidelines that we need. And looking at the contributions that a number of the bases have made to our ongoing missions overseas, I am very proud of the fact that, you know, our National Guard and Reserve bases have made significant contributions.

How will you look to give geographic balance to our basing structure? And particularly to the ability of Guard and Reserve forces, to be able to train and deploy in an area where they live? I'm concerned that with the stresses on the Guard and Reserve that we've seen in the last several years, some of the information we're getting about some difficulties in retention and recruitment for the Guard and Reserves. If we make it even more difficult for people to participate by, you know, moving the bases further and further away from population centers, that could be a real problem for us.

PRINCIPI: It certainly could be and we'll certainly look at that very carefully.

It's my hope that those factors are being taken into consideration in compiling this list.

You know, the criteria really do speak to the total force. It doesn't speak just to the active force. It speaks to the total force, and that includes the Guard and the Reserve. It talks about staging areas for homeland security. The northern border and things of that nature. And those are all factors that this commission needs to ensure, that independent checks are being done, are in conformance with the force structure plan and those criteria that is established in the law.

CLINTON: Thank you very much, Mr. Secretary.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON NATIONAL SECURITY THREATS, 3/17/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

And welcome, Director Goss and Admiral Jacoby.

I thank you both for your service and for being here to respond to our questions.

CLINTON: The Department of Homeland Security has been trying to focus the anti-terrorism spending that it has jurisdiction over in a more strategic risk-based manner.

And through their analysis, they've identified a number of possible attacks that it views as most plausible or devastating, including the detonation of a nuclear device in a major city, the release of sarin nerve agent in office buildings, and a truck bombing of a sports arena.

I'd like to ask you both: What role, if any, did the CIA and the DIA have in working with the Department of Homeland Security in generating this analysis and list?

GOSS: Senator, I don't believe that CIA had much role in that at all.

The breakdown in DHS between domestic and foreign, as you know, is very critical -- because Americans don't spy on Americans and we keep our foreign intelligence program overseas.

However, we do provide information. That is the place where we come together.

And so the degree of information that might have gone into some estimates on that, it's very possible and probably likely that some CIA sources are -- some of our channels were used in making estimates about the likelihood of a chem-bio attack or so forth.

But as to sitting down and assessing directly where the risks are in the homeland, that would be a little bit out of our lane.

CLINTON: Admiral?

JACOBY: Senator, the same. Clearly, the discussion about the potential threats goes on in the community forum, but we would not have participated in homeland security's internal prioritization and ordering of the threats.

CLINTON: You know, at several hearings by this committee, I've asked about the level of coordination between DOD, the intelligence community and the Department of Homeland Security, because I'm concerned that we may not have the appropriate level of information sharing and coordination.

For example, I was struck by the comments in the newspapers today about the anthrax scare in the DOD facility and the either failure to or inability to better coordinate with the public health response mechanism and the like.

So I appreciate greatly the wall between the different and appropriate roles that each of you have between domestic and international. But I'm not yet persuaded that we have as a sufficient a coordination as we need.

Now, I know that the DNI and how that is stood up will perhaps play some role in that, but I think it would be useful to, again, think more closely. Because if you look at the list that DHS has put forth -- nuclear detonation, sarin nerve agent, truck bombing -- it's almost impossible to imagine that there isn't quite a bit of overlap in trying to make those assessments between what we know, what the information is we're gathering abroad.

CLINTON: Obviously, much of this list is based on DHS's assessment of the intelligence that it's receiving and how it's evaluating it.

So I'm hoping that we can continue to improve the flow of information and the coordination, and I would, you know, look forward to hearing any ideas you might have on that.

Secondly, I read this week that General Musharraf said the Pakistani army might have come close to capturing bin Laden near the Afghan border in late spring or early summer of last year. Could each of you enlighten us on the status of the hunt for bin Laden?

GOSS: Senator, thank you.

For the first part of the question, I totally agree. The level of coordination is a constant job. We always have to be working at that.

It's not just cooperation. It's moving information. It's needing to share it with those who need to know it, and that takes some doing.

We're dealing with horizontal integration as well as vertical -- down to the state, local and so forth, and municipal.

Some of this is sort of new for some people, and it's actually happening. It's perhaps not happening as fast as we'd like, but it is happening and will continue to happen because the thrust is all that way.

So I think that I would agree with your surmise that the info sharing is not sufficient yet, but the trend lines are good and the momentum and the push we are giving it is right. I think we have the right direction.

As for talking about some of the information, we do have a problem, candidly, between what sometimes -- we pick things up somewhere around the world and the many ways we do it. We're not really sure whether it's real. And even it's a wonderful source, we're not sure whether the source got it -- whether it's wishful thinking or coffee house chatter or something else.

So what's a real plot, and when somebody says trucking industry or a big building or something similar, is that a real plot or is it wishful thinking?

Those kinds of fine filter are a new kind of analysis for us. We're doing better at it and there's room for improvement still.

In terms of the hunt for bin Laden, I would like to reserve some of that for the closed session.

I could simply say it goes on. It is very informed, and I would agree that there are times when we have been closer than not.

CLINTON: Admiral?

JACOBY: I join the DCI and would like to follow up in closed also please.

CLINTON: Director Goss, in the last 10 days or so, former Senator Sam Nunn gave a very thorough and somewhat disheartening speech about the status of nonproliferation efforts, at the National Press Club.

CLINTON: And the thrust seemed to be that we are losing ground and perhaps opportunities to dismantle and prevent the potential misuse of nuclear material and weaponry, particularly out of the former Soviet Union.

Have you had a chance to read Senator Nunn's speech?

GOSS: I have not.

CLINTON: Have you, Admiral Jacoby?

JACOBY: I have not been able to.

CLINTON: Well, obviously, I have a very high regard for Senator Nunn for his experience in this area.

And perhaps if I could, Mr. Chairman, I would appreciate getting some response with respect to the specific point Senator Nunn made from both of our witnesses at some future point.

WARNER: I think that is very much an issue before this committee. And if each of you would provide for the record, at your convenience, a response to Senator Clint's questions.

CLINTON: Thank you.

U.S. SENATOR JOHN ENSIGN (R-NV) HOLDS HEARING ON MILITARY INSTALLATION PROGRAMS IN REVIEW OF THE FISCAL YEAR 2006 DEFENSE BUDGET, 4/6/2005

COMMITTEE: READINESS AND MANAGEMENT SUPPORT SUBCOMMITTEE

SUBCOMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: I was waiting for that.

THUNE: I know you were waiting for that. Senator from New York, it's yours, go ahead.

I've got a couple questions. Could I submit for the record?

ENSIGN: We're all going to submit questions for the record.

Senator Clinton, try to keep it as brief as possible?

CLINTON: I will. And I'll talk fast.

And I wanted to thank Senator Cornyn for bringing up the homeland defense issue. Mr. Prosch came to Fort Hamilton, the only remaining installation within New York City, which was an important staging area after 9/11.

I'd like to ask just briefly everyone to answer yes or no. You know, with the onset of BRAC, I know that a number of communities are making promises to finance the construction of facilities. However, New York communities, since '95, have already been proactive in making investments in their installations prior to this BRAC round.

And during that last BRAC round, we saw many offers that never materialized into concrete results once the installations were saved. I'd like to ask each of you: Will offers from state and local governments to finance the construction of facilities, whether privatized or not, be considered as part of the BRAC process, just yes or no?

GRONE: Complex answer, but no, generally, we're dealing with facts on the ground.

CLINTON: Mr. Prosch?

PROSCH: We've got \$200 million of MILCON at West Point alone that we're going to continue to...

CLINTON: But that's public money. I mean, I'm talking about communities coming and saying, "You know, we're going to put money into this. The state's going to put money into this." And you know, I thought we -- I think Mr. Grone's right.

We should take the facts as we find them on the ground, especially since in the '95 round a lot of communities came forth and said, "Save this base. We'll put \$10 million into this, the state will put \$20 million," and it never happened. And I just want to be sure that the criteria is, as Mr. Grone, says for each of the services.

PROSCH: Yes, ma'am.

CLINTON: Thank you.

Secretary Penn?

PENN: Yes, ma'am, as stated, no.

CLINTON: And Secretary Gibbs?

GIBBS: No.

CLINTON: The rationale for the 2005 BRAC round has been somewhat of a moving target. We've heard arguments that it's designed to achieve jointness, to eliminate encroachment, to save money, to reduce capacity, and more recently, to reset and reposition forces. You know, it's difficult, I think, for a lot of us to quite figure out what criteria the services are using.

And I guess, Mr. Grone, this would be for you. Shouldn't an objective analysis of a location's military value and cost of operation drive the process, as opposed to a more abstract formula that somehow this will lead to, you know, rearranging the deck chairs in some preordained manner?

GRONE: Well, Senator, the criteria that the secretary caused to have published last year, the guide to process their foundation, a core element of the foundation of this process lays out the criteria by which the secretary will develop those recommendations.

Military value, pursuant to congressional direction, as well as departmental policy, is the highest consideration. The costs of operations and manpower implications of a given potential recommendation are also part of a military value -- are part of that military equation.

That said, while we have those selection criteria, the secretary has talked about the importance of utilizing the round to enhance force transformation, to improve joint utilization of our assets, to convert waste to war-fighting, in terms of the structures that we no longer require, as well as to use it as a means by which we can efficiently accommodate forces returning to abroad.

But all of that will be done within the context of the selection criteria and the force structure plan provided to Congress.

CLINTON: Well, obviously, our highest hope is that that's exactly what does happen. You know, we spend a lot of time in both houses of Congress trying to hammer out those criteria.

And at the end of the last BRAC processes, I'm sure you've been told numerous times by people from New York, we believe that inappropriate political considerations were used at the, you know, very last minute. And that left a very bad taste in a lot of people's mouths.

I mean, you know, New York has a great tradition of military service. And people there, I think, are under special pressures because of terrorism and the continue understanding that New York is the number-one target. So if military value is the criteria, we don't want to see, you know, political considerations intervene.

Thank you.

GRONE: Senator, I can assure you, and the chairman, and the ranking member that political considerations are not a factor in the secretary and the leadership's consideration.

(CROSSTALK)

CLINTON: Thank you.

ENSGN: Thank you.

I want to thank the entire panel and all the senators. And once again, I apologize for the briefness of this hearing. But the hearing is closed.

END

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS
HEARING ON ENG-LAND/MULLEN NOMINATIONS,
4/19/2005**

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much. And welcome, indeed.

I've enjoyed working with you in your capacity as Navy secretary, and look forward to continuing that relationship.

I think from the questions that have been posed thus far, Secretary England, you get an idea of the unanswered questions and some of the frustration that members of the committee feel.

Speaking just as one member of the committee, it was a very difficult relationship with your predecessor. Very often, we didn't get answers, we didn't get follow-up. We rarely got the kind of response that this committee and this body deserve to have.

So it's a welcome change to have you before us.

There are a number of concerns that have already been raised, and I'd like to focus on just a few more.

I'm concerned about the continuing use of supplementals to fund permanent force structure changes. We've seen the department rely on supplementals in both fiscal year '05 and '06 to fund existing or planned end-strengthen increases, as well as permanent changes in force structure, known as modularity in the Army, force structure review group for the Marine Corp.

Earlier this year, when I asked the Army's chief of staff, General Schoomaker, why the Army's '06 budget did not fund the personnel level of 512,000 the Army actually plans to have instead of the 482,000 that are funded in the budget, he stated that he was given the option of funding those extra people in his core budget or in an '06 supplemental, and he chose the supplemental so he wouldn't have to displace other programs.

Now, if the senior leadership of the department gives the services the choice of funding programs below the line or above the line, of course they're going to pick the same options that the Army did and that the Marines did in this budget: Put it on the supplemental tab.

But programs like modularity are not surprises. They're intended to be permanent changes in the way the services operate. And in my view, it's not responsible budgeting.

So let me ask you, do you believe it is sound budgetary management practice to submit budgets that do not fund the actual level of active duty people DOD intends to have on board in '06 and to include only a small portion of the operating, construction and modernization costs of ongoing restructuring plans, such as modularity?

And if confirmed, would you work with us to ensure that DOD sends us a budget that realistically reflects personnel levels and long-term modernization efforts?

ENGLAND: Senator, we will definitely work with you. And I appreciate the opportunity to do so.

Regarding the supplementals, my understanding -- and responsible for Department of Navy budget -- is that when we have predictable and what I call everyday things that we know are

going to happen, we put those in the budget. If it's unpredictable, like a war continues, we put in the supplemental.

I don't know about the Army center. I wasn't given an option about what goes in or out of the budget. I mean, it's in our budget.

ENGLAND: Now, the devil's in the detail. Like, right now, we are working on the '07 budget, so there is this long lead time in terms of what is predictable.

So when we know what it's going to be, and it is the course of business of the department definitely it should be in the budget. So when we know those costs, they should be in the budget, which unpredictable contingency, sort of, operations obviously we'll need a supplemental.

So I think that's the policy, and I believe that is a valid policy. There may be some differences in the detail, but keep in mind, we have a long lead time in terms of putting those budgets together.

CLINTON: Well, I'm very happy to hear that. And the Senate passed a sense of the Senate resolution yesterday making the same point, so that we would have budgeting that would be reflective long term of the costs that we know we're going to be incurring.

With respect to that, my colleagues Senate Reed (ph) and Senator Hagel have been the leaders in arguing that we need to grow the end- strength of the Army. And that is something that we've not yet really come to terms with from the department's perspective.

What are your views about increasing Army end-strength? And is it something that will be addressed in the QDR?

ENGLAND: Yes, it will. We will specifically look at force size in the QDR, Senator.

And I would recommend that we go through the QDR because we'll be starting with capabilities, but we will get down to a force-sizing construct.

And that report is due next February. Hopefully, we can hold that schedule.

It is a very complex and a very important QDR. The last QDR of course was before 9/11, so this is now reflecting the world that exists today.

I will be very complex, but it will certainly point to force sizes. And in terms of total force my expectation is that we will be able to get down in terms of numbers of specific assets, and as questions come up here today, how many of what assets do we need.

So this will be a very comprehensive look in the QDR, and hopefully we'll have some answers for you at the end of this QDR, Senator.

CLINTON: We will look forward to that. I know that there's a continuing effort on the part of many of us to try to get an answer on the end strength of the Army.

My time is up, but yesterday on Long Island my colleague from the House Congress Steve Israel and I held a hearing with military families and vets. And the problem that our Guard and Reserve families are encountering are heartbreaking.

And despite the fact that we have tried to address some of these issues, like the absence of health care, like the continuing problems with companies foreclosing on homes, repossessing autos while a loved one is deployed in Iraq or Afghanistan, it is having a terrible impact on the morale of families, which, of course, has a boomerang effect on the morale of the serving Guard or Reserve member.

CLINTON: And I would just urge that some of us, Lindsey Graham and I and others, have been pushing for some very positive changes with respect to health care and retirement. And we need to do that.

I'm worried about our recruitment and retention goals in the Guard and Reserve, and we would look for some support and guidance from you in your new position.

Thank you very much.

U.S. SENATOR JOHN ENSIGN (R-NV) HOLDS HEARING ON IRAQI FREEDOM/MILITARY READINESS, 4/20/2005

COMMITTEE: READINESS AND MANAGEMENT SUPPORT SUBCOMMITTEE

SUBCOMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman. Thank you for holding this hearing.

And I welcome all of you here. I'm especially pleased to see General Austin, the commanding general of the 10th Mountain Division in Fort Drum, New York.

He has done a fabulous job leading the 10th Mountain Division, which for the record is the most deployed division in, I think not just the Army, but any part of our armed services.

I'm also pleased to see General Sattler. I had a very informative and inspiring visit to Fallujah, and appreciated very much the briefing that General Sattler and his team gave us about the action in Fallujah and the eventual victory over the insurgents.

I wanted to start by asking General Austin, the 10th Mountain Division has been at the forefront of the Army's transformation to modular brigades. And with the change to modular brigades -- as you pointed out, we have two additional brigades, one at Fort Drum, one at Fort Polk. And I know that this transition creates certain challenges for both leadership and for the soldiers themselves.

How would you assess the change that's occurred to modular brigades? And any advice and any lessons as that modularity is unfolding that we need to be learning from and perhaps responding to?

AUSTIN: Well, Senator Clinton, I think that we are indeed learning from ourselves as we go through this transformation process.

As you know the 3rd Infantry Division was the first to transform. We went to school on the 3rd Infantry Division and therefore were able to avoid some of the issues that they were faced with because we learned from them. They were great in sharing their lessons.

In terms of challenges, I think any time you move to a new formation there will be some challenges, because there are some unknowns. I think our force has dealt with that very effectively.

But I think the real issue with transformation is that we will be more capable. We'll have brigades that are highly deployable, they are self-contained, and all brigades will be standardized.

And so I think in the end, we will provide a great capability to the Joint Force Command.

In the 10th Mountain Division, we are about three-quarters of the way through our transformation. One of the transformed brigades is going to deploy to Iraq here in July. They've done a magnificent job of getting themselves set, training up their leaders. And I think they will be much value added once they get on the ground.

But to answer your question, Senator Clinton, I think we've handled the challenge very, very well, principally because we've learned from those units who have gone through the transformation process earlier.

CLINTON: Thank you.

I've listened carefully as all of you responded to the chairman's question about the body armor and the armored vehicles -- the Humvees, the convoy vehicles. And the one thing that I'm not sure any of you can address -- but perhaps General Metz you might be in the best position -- we continue to hear stories mostly from the field that our Guard and Reserve units are not as well equipped as active duty.

We have 40 percent of our overall force in Iraq being Guard and Reserve. And at least, if you were to check my e-mails and my letters and the comments I get from parents and spouses, we still aren't there yet.

Do you have any assessment that you could share with us about the state of equipment for the Guard and Reserve troops that are either there or on their way being deployed?

METZ: I think we mapped the challenges back into the mobilization process so that when the Guard and Reserve units arrive at the mobilization station, we owe them a good look at their equipment so that we identify right away what they may be short, because as we know they could very well be short.

As they go through that training process and that identification, our goal is to ensure they don't go north of the berm in Kuwait without the right equipment and trained to use that equipment.

My experience was that those enhanced separate brigades that were combat brigades in the combat support and service support units, once in Kuwait and coming north, were correctly outfitted with the equipment and had the training to conduct themselves successfully.

And once in country, I saw no difference in the performance of those brigades than any other brigade. They were one of, at one point, 23 U.S. brigades in country. And we tasked them and used them just as they were active. And the performance of those soldiers was equal to the active duty soldiers.

So it's a process all along the continuum to ensure -- and we owe them that -- to ensure that they are trained and equipped before we put them into harm's way.

CLINTON: General Sattler?

SATTLER: Senator Clinton, if I might?

First of all, ma'am, lest the 3rd Marine Division Association hunt me down like a dog, I must say that as much as I love Lloyd Austin and the climb to glory 10th Mountain Division, the 1st Marine Division's also done two complete pumps into Iraq.

Don't want to split hairs on it, but I got to at least get that onto the table, because I've got to go back to my family when this is all said and done.

(LAUGHTER)

But on the Guard, the 155 Enhanced Separate Brigade out of Mississippi came in to replace the two marine expeditionary units that were ashore. And those were two fort (ph) Marine units that had had Najaf and Karbala.

When General Metz brought them in they were fully trained up. They did the pre-deployment site survey.

When they showed up we did about an almost three-week right seat/left seat ride where they married up with the two Marine units and they traded tactics, techniques, procedures and environmentals you can only pick up from being on the ground.

When they left, when the Marines pulled out, the National Guard brigade had that throat (ph) to Baghdad for two major events. The Ashura, which is the big pilgrimage, followed by the Arabian (ph). And they did marvelous in both.

So I will tell you that there's a little bit of training that needs to be done, as General Metz indicated. When they came on board, we embedded some of our Marines, mainly in the high-tech areas of communication.

They had the enthusiasm and the energy, they just needed a little bit of tweaking on it. And they were off and running.

So I would second what General Metz said, ma'am.

CLINTON: Thank you very much, General.

Admiral, I just wanted to ask you, in your statement you said your strike group deployed to the CENTCOM fully trained and equipped. And I know there have been some changes in the Navy's East Coast training in the last few years.

Could you elaborate on whether the Navy's current training locations and procedures on the East Coast allow our naval forces to prepare and train for the assigned missions they're being given?

MCCULLOUGH: Yes, ma'am.

Our training on the East Coast is very good to prepare us for deployment.

We used to use, as you know, the range at Vieques to qualify our surface ships and naval surface fire support. When we left Vieques, we've developed using acoustic devices and timing and synthetic geography to put in our combat systems to enable our ships to qualify in that tactic at sea. So we have no use for a live fire range per se for naval gunfire support.

We've used the ranges at Pinecastle and Avon Park in Florida -- and we thank the state of Florida very much for making those available to us -- that have enhanced our capability to get our air wings ready to go.

And we also deploy the air wing to Fallon to undergo its strike training in the state of Nevada.

So I can unequivocally say that our forces are more ready today to deploy than they ever have been in the past.

CLINTON: Thank you, Mr. Chairman.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON DE-FENSE INTELLIGENCE BUDGET, 4/28/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

Admiral Jacoby, the last unclassified assessment of North Korea's nuclear weapons from January 2002 read as follows: "We assess that North Korea has produced enough plutonium for at least one and possibly two nuclear weapons," unquote.

When Director Goss was asked for the current CIA assessment at our hearing, an open hearing in February, he said, and I quote, "Our assessment is that they have a greater capability than that assessment." In other words, it has increased since then. He added that other agencies had other assessments and that there is a range.

I'd like to explore this with you. What is the current DIA assessment?

JACOBY: Senator, when we did our threat testimony and had that discussion, I mentioned that we were in the process of going back and doing a fundamental review all the way back to source information back in the early '90s.

My senior analysts are working that up right now, and so I don't have a new assessment for you.

But I can talk to the range. The citation you had talked about enough materials for one to two weapons. And then Mr. Goss' comment was that there's an additional capability. That came from the unloading and probable reprocessing of the rods out of the Yongbyon nuclear plant.

JACOBY: So that's why you end up with a new amount of material and new opportunities for weapons manufacturing.

I'd like to get back to you in approximately two weeks with the results of the assessment we've done, and that will give you an update on where DIA is in terms of our assessment and projection on the future of the program.

CLINTON: I would appreciate that, Admiral.

And can you tell us what the unclassified assessment is regarding how far along North Korea's highly enriched uranium program is?

JACOBY: Senator, I'm not sure if there is an unclassified assessment. I believe I need to take that into the closed session.

CLINTON: And would you provide that to us at your earliest convenience?

JACOBY: Right.

And I was going to say, and we'll roll that into the overall assessment program that's ongoing. It was part of it.

CLINTON: This past weekend, The Washington Post and Wall Street Journal reported that North Korea may be preparing for a nuclear test. And the press has also reported increased activity at North Korean missile sites.

Under what conditions does the intelligence community believe the North Korean government would conduct a nuclear test?

JACOBY: Senator, I believe I need to take that for closed session and lay out a set of assessments and options that have been considered.

CLINTON: Obviously, since North Korea has recently stated it does not feel bound by its earlier self-declared missile testing moratorium, that's a matter of grave concern to many of us as to the assessments that we have with respect to their intentions.

According to a March 15th Washington Times article, a North Korean foreign ministry spokesman said, "Reality proves that our possession of nuclear weapons guarantees balance of power in the region and acts as a strong deterrent against the outbreak of war and for maintaining peace."

CLINTON: He went on to add that, "the North will take necessary countermeasures including bolstering of its nuclear arsenal to cope with the extremely hostile attempt of the United States to bring down our system," unquote.

Admiral, do you have an opinion as to whether North Korea would be willing under certain circumstances, including a guarantee by the United States not to forcibly attempt to change North Korea's regime, to give up its nuclear program?

JACOBY: Senator, our assessment is that the nuclear capabilities and the ambiguity that they have pursued for so many years was a major bargaining chip leverage in their position.

Our assessment has been that it's unlikely that they would negotiate away completely that capability or associated ambiguities because of their concerns about changing world events, regional dynamics and so forth, that that would be viewed by them as leaving them vulnerable.

CLINTON: Of course, we haven't been all that successful preventing their continued attempts to obtain nuclear weapons, have we? And we find ourselves now in a position that strikes me as a failed policy with grave consequences for the region and the world.

Let me go on here and ask that -- you know, the press reported last month that the intelligence community recently learned that North Korea may have transferred nuclear-related material to Libya.

Admiral, what can you tell us about that in an open forum?

JACOBY: We need to go into that in closed, Senator.

CLINTON: OK. This is an area of grave concern to me and I assume to many others of my colleagues. And it's very frustrating. We have been locked into this six-party talk idea now for a number of years and all the while, we've seen North Korea going about the business of acquiring nuclear weapons and the missile capacity to deliver those to the shores of the United States.

And so, Admiral, let me ask you, do you assess that North Korea has the ability to arm a missile with a nuclear device?

JACOBY: The assessment is that they have the capability to do that, yes, ma'am.

CLINTON: And do you assess that North Korea has the ability to deploy a two-stage intercontinental missile, a nuclear missile that could successfully hit U.S. territory?

JACOBY: Yes, the assessment on a two-stage missile would give the ability to reach portions of U.S. territory, and the projection on a three-stage missile would be that it would be able to reach most of the continental United States.

That still is a -- that's a theoretical capability in the sense that those missiles have not been tested. But that is part of the community position, yes, ma'am.

CLINTON: So the two-stage you are testifying is already within their operational capacity?

JACOBY: Assessed to be within their capacity, yes.

CLINTON: And that's the West Coast of the United States?

JACOBY: I would need to look at the range arcs. It's certainly Alaska and Hawaii, and I believe a portion of the Northwest.

CLINTON: Well, Mr. Chairman, I -- you know, with all due respect, Mr. Ranking Member, with all due respect, you know, it is troubling beyond words that we have testimony like that at this time. And, you know, there is that old saying, you know, if you're in a hole, quit digging. And this administration just keeps getting bigger shovels, and it bothers me greatly.

And focusing on what we can even talk about in an open forum should give pause not only to the Congress, but I hope to the administration.

Thank you.

LEVIN: Thank you, Senator Clinton.

And the chairman has authorized me to bring the hearing to a close. I want to, though, associate myself with your concerns about Korea, the direction in which they are moving, the failure of our policies to deter that movement.

I would just add one additional thought to the points that you've raised, and that is that our allies, the South Koreans, would like us to engage in talks directly with the North Koreans, but we won't do it despite their desire that we do so.

And it seems to me it's extraordinary that when your allies in the region want you to engage both in the multilateral and the bilateral talks, there's no inconsistency between them that we refuse to engage in the bilateral talks.

Thank you. And we will stand in recess. We will go to S-407.

Thank you both for your testimony. And the record will stay open for the usual 48 hours for additional questions.

END

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS REMARKS TO THE AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE, 5/24/2005

CLINTON: Welcome to Washington for this extraordinary AIPAC conference. I'm told that the attendance far surpasses any other conference, and it's always been one of the biggest gatherings that Washington hosts every year.

So I congratulate you for being here in these numbers with this energy and enthusiasm.

(APPLAUSE)

I also thank my friend Bernice, who has served so well on behalf of AIPAC, and congratulate Howard Friedman, the incoming president. I thank Howard Kohr, your executive director, Amy Friedkin, and everyone who works so hard for AIPAC, not just when there's a great gathering like this conference, but every single day, working with us in the Congress, working here in Washington.

(APPLAUSE)

I want to take just a few minutes to discuss some of the significant challenges facing the United States, Israel and our world today.

As you know better than most, events in the Middle East are absolutely critical to our hope for a safer, more secure world, a world in which every nation is free from the threat of global terrorism.

And a strong, lasting relationship between the United States and Israel is essential to our efforts to build that world of peace and security.

(APPLAUSE)

As all of us know, our future here in this country is intertwined with the future of Israel and the Middle East. Now, there's a lot that we could talk about and, obviously, much has been discussed. But, in the short period that I have been given the honor of addressing you, I want to start by focusing on our deep and lasting bond between the United States and Israel.

Now, these are bonds that are more than shared interests. These are bonds forged in a common struggle for human rights, for democracy, for freedom. These are bonds that predate the creation of the state of Israel, that really predate the creation of the United States, because they are rooted in fundamental beliefs and values about the dignity and rights of men and women to live in freedom, free from fear, free from oppression.

CLINTON: And there is no doubt that these incredibly strong bonds and values will remain as the lone star of our relationship with our democratic friend and ally, Israel.

(APPLAUSE)

Now, Israel is not only, however, a friend and ally for us, it is a beacon of what democracy can and should mean. It is, after all, a pluralistic democracy. It is, as many of us know from personal experiences, a very dynamic democracy with many points of view, and those are expressed with great frequency and vigor.

So if people in the Middle East are not sure what democracy means, let them look to Israel which has been and remains a true, faithful democracy.

(APPLAUSE)

But we know that the goal, the important, essential goal, of a democratizing Middle East is complex and it is not without risks.

A few months ago I went for the second time to Iraq and Kuwait and Afghanistan and Pakistan, and I returned home with hopefulness about what I had seen and learned, but also with a sense of caution about how we should proceed.

In Iraq, I saw firsthand the daily challenges confronting the Iraqi people. I met with a number of our troops, the brave young men and women who are on freedom's front lines in Iraq.

(APPLAUSE)

I met with our civilian representatives in the embassy and other agencies who are also risking their lives to help the Iraqi people.

And I met with representatives of the former interim Iraqi government and the newly elected Iraqi government, as well as private Iraqi citizens.

Now, I came away with several overwhelming impressions.

First, no matter what one thinks about events that have unfolded in Iraq, there is no doubt that the American military has performed admirably, with professionalism, and that every young man and woman who wears the uniform of our country deserves our support, whether they be active duty, Guard or Reserve troops.

(APPLAUSE)

You know, it is on trips like that, despite the often dangerous circumstances, I wish I could bring every one of my constituents, all 19 million of them and any others who could come, to see firsthand.

I flew from Baghdad to Fallujah in a Blackhawk helicopter, met with the Marines who had liberated Fallujah from the insurgents and terrorists.

CLINTON: I met with many others of our Marines and soldiers who are committed to their mission, to try to bring freedom to the people of Iraq.

They, as well as the troops I saw in Kuwait and in Afghanistan, are committed to this fundamental belief that people deserve the right to be free, deserve the right to select their own governments, deserve the right to plot and plan for a better future for themselves and their children.

I hope that each of you, as you travel through your states and communities, will make it a point to thank these young people, because they're paying a very high price. 1,600 plus lost their lives. Thousands and thousands have returned home grievously injured.

Because of the advances in battlefield medicine and the new body armor that our troops wear, many are surviving injuries that would have left previous generations of young men and women dead.

So there is no doubt that America has started down a path with blood and treasure, to try to create the conditions for democracy and freedom in the Middle East, which has consequences for the entire region, for our security, and certainly for Israel's.

At this critical time in this complicated situation we find ourselves in, I think it's important to recognize the extraordinary stand that Prime Minister Sharon and the democratically elected government of Israel have taken. As they...

(APPLAUSE)

As they face the risks and challenges of disengagement, and as they try to deal with the newly elected Palestinian leadership, the prime minister, whom, I'm pleased to note, will follow me to this stage, and the state of Israel that he has devoted his entire life to serving...

(APPLAUSE)

... are taking a tremendous risk.

I believe it is our obligation, as friends and supporters and allies of Israel, to support Israel's efforts for peace, stability and security.

Now, this means doing more than providing Israel with economic aid so that it can remain strong in the face of ongoing threats.

CLINTON: We must also demand that President Abbas dismantle the structures of terror that the Palestinian leadership has employed for so long.

(APPLAUSE)

In a democracy, even a fledgling democracy, leaders must be held accountable. And President Abbas must be held accountable for the actions taking place under his leadership.

(APPLAUSE)

I know that you are asking your senators and representatives to sign on to a letter to President Bush about this, and I'm proud to support these efforts, because...

(APPLAUSE)

... there can be no doubt that, as Israel and its democratic government take these steps, and we support them, there has to be reciprocity on the other side as well.

And making progress toward peace and security also requires the end of the barrage of hate and incitement that is still officially sanctioned by the Palestinian Authority.

(APPLAUSE)

Now, I was relieved to learn, this week, that the Palestinian Authority removed "The Protocols of the Elders of Zion" from its Web site.

(APPLAUSE)

Reportedly, it had been included on the Web site under the heading, "History of Zionism." But what was it doing there in the first place, even though we are relieved that it is no longer there?

(APPLAUSE)

We must continue to be vigilant about monitoring hate and incitement and anti-Semitism, not only by the Palestinian Authority, but throughout the Arab world.

Saudi textbooks characterize Jews as wicked. Iranian news reports, obviously representing the opinion of their government, have lent credence to Holocaust deniers.

CLINTON: This is an issue that all of us need to be concerned about. And five years ago, I stood with my friend, Eli Weisel, to denounce this incitement, this violence, this anti-Semitism, in Palestinian textbooks.

And I've been working on this issue because, to me, it is one of those basic issues that -- how do we expect to have a democratically elected Palestinian government if their textbooks are still preaching such hatred and if we allow this...

(APPLAUSE)

... dehumanizing rhetoric to go unchallenged? Because what is happening is, young minds are being infected with this anti-Semitism. And that is going to run counter to what we hope can happen over the next years as we do work for peace and stability.

So we must continue to shine a bright spotlight on these messages of hatred and these enticements for martyrdom in these textbooks and on the media that take young minds and twist and pervert them and create a new generation of terrorists and insurgents.

About a year and a half ago, I held a hearing, with Senator Specter, on the Palestinian media. And I confronted the Palestinian Authority representative about this issue, whom we had invited to come and address the Senate committee.

I urged him to acknowledge that, when it comes to children, whoever those children are, shielding them from hate and violence should be the number one priority of their families and their governments and the entire global community, to prevent this hatred from festering.

(APPLAUSE)

Using children as pawns in a political process is tantamount to child abuse, and we must say, "It has to end now."

(APPLAUSE)

CLINTON: And, of course, that infection is contagious and it can spread beyond the Palestinian territories, it can spread into other parts of the Arab world, and it can impact what goes on there.

And, of course, one of the areas I am deeply concerned about is Iran and its pursuit of nuclear weapons, because a nuclear-armed Iran would shake the foundation of global security to its very core.

Israel would be most immediately and profoundly threatened by this development, but Israel would not be alone. Knowing of Iran's historic and present ties to terrorist networks, how would we feel here in America if the Iranians could start producing nuclear weapons at will? How would the Europeans feel if Iran could start producing nuclear weapons at will?

(APPLAUSE)

So let us be unequivocally clear: A nuclear-armed Iran is unacceptable, but it is not just unacceptable to Israel and to the United States. It must be unacceptable to the entire world, starting with the European governments and people.

(APPLAUSE)

I know that during your conference and in the lobbying that you will be doing on Capitol Hill you're trying to draw attention to the threat that is posed by a nuclear Iran. And I commend you for these efforts. This is one of our most serious security and foreign policy priorities.

And we need to make working with our allies to prevent an Iranian nuclear weapon a top priority.

Now, one of the terrorist groups that Iran supports is Hezbollah. And we know that Hezbollah poses a direct and dire risk to the stability of the Middle East. Syria's withdrawal from Lebanon, which is very good news for the Lebanese people, also creates an opportunity for Hezbollah to wreck havoc.

So we need to remain vigilant about the terrorist threat and work to stop the flow of support to Hezbollah from Syria and Iran. And we need to convince our European allies of Hezbollah's threat to order in the region and to the civilized world, and convince them to designate Hezbollah as a terrorist organization.

(APPLAUSE)

And the Europeans must do more to cut off the funding and the fund-raising that goes on in Europe for Hezbollah, Hamas and Islamic Jihad as soon as possible.

(APPLAUSE)

CLINTON: Now, there are many other important and pressing issues that must be on our agenda, but I know that, as you travel to the Hill to meet with your representatives and senators, you will be presenting a very thoughtful and compelling analysis of these and other challenges we face.

I thank you for not only being willing to stand up for our values and our relationship with Israel, but also to take your responsibilities as citizens seriously, to lobby and to advocate, to persuade and to dissuade, to discuss these critical issues with all who will listen.

We are living at an extraordinary moment in history. There are some days when I am very optimistic. And there are other days, I have to confess, when I'm pessimistic. I guess that just goes with the territory.

But what I am absolutely convinced of is that our common values, values shared and exemplified by our country and by Israel, are the right values, the values that everyone should have an opportunity to be exposed to and to understand and, hopefully, to emulate.

There is no other option in the world that, as Tom Friedman said, has been flattened. We can communicate with each other, we can be transported over long distances quickly, we can follow events in other places far away, and therefore we need to recognize that our

ongoing struggle for freedom and democracy is the only way that we can ensure that, in this shrinking, flattened world, our children will have a chance for peace and security.

We cannot shrink from the duties that this time has imposed upon us. We can have -- and we should -- great debate and discussions about what are the best ways to proceed and to pursue these common objectives.

We need that. We need that debate and discussion, because we are in uncharted territory. No one has all the answers. And we need the combined intelligence and good ideas of as many people as possible.

So what you are doing today is not only on behalf of AIPAC, not only on behalf of Israel, not only on behalf of the strong and enduring relationship between the United States and Israel; it is truly on behalf of the kind of world we want for our children and, for those lucky enough, grandchildren.

CLINTON: And we can not grow weary. This is a long, arduous path. Israel, Israelis, the American Jewish community and the broader Diaspora know about this struggle and this path better than most.

So if we resolve not to grow weary but to pursue these values together, I am ultimately not only optimistic but confident that the world will see a better and brighter day. And our children will thank us for making it possible.

Thank you all very much.

God bless you.

(APPLAUSE)

END

"Inside Politics," CNN, 5/26/2005

WOODRUFF: Thank you for joining us.

Few would argue that **Hillary Rodham Clinton** is a compelling public figure. One of the many reasons for that, the unprecedented possibility that the former first lady might return to the White House as president.

Our just released poll shows that 53 percent of Americans say they are at least somewhat likely to vote for Senator Clinton for president in 2008. That is an 11 point increase from two years ago.

I talked at length with Senator Clinton today about her future and political challenges right now. I started by asking her whether Democrats really got that much out of the deal that ended the Senate showdown over judges.

(BEGIN VIDEOTAPE)

SEN. HILLARY **CLINTON**, (D) NEW YORK: From the perspective of the institution of the Senate and our system of checks and balances and respect for the constitution and separation of powers, all of these very fundamental principles that we have operated under as a nation for so many centuries now, I think we have. I think it was a very good moment for the Senate as a whole when the 14 senators made that agreement.

Now, obviously, there are some very unfortunate side effects of any agreement. Usually when you have a compromise, which this was, it doesn't satisfy anybody 100 percent. And we will probably see the confirmation of people who are very extreme. And I regret that.

WOODRUFF: Some people have noted that you chose not to be part of the group that announced the compromise, that worked on the compromise. The gang of 14. Should somebody make anything of that?

CLINTON: No. I think that this was a process that a couple of my colleagues started, you know, some weeks ago after Senator Reid could not reach any understanding with Senator Frist. And I thought they were pursuing a noble effort. I didn't know whether they would be successful or not, but I was, you know, certainly supportive of their efforts to try.

I was ambivalent about what the right thing for the country was. I believed, or at least maybe I hoped, that if the trigger were pulled, there would be six Republican senators who, in the tradition of profiles and courage -- Margaret Chase Smith standing up against McCarthy, others take lonely but very important stands on behalf of the constitution and the institution of the Senate -- that there would be those six Republicans. And I'm not sure there wouldn't have been. We will not know now, obviously.

WOODRUFF: Very different subject, Iraq. Record numbers of Americans continue to die in Iraq. No end to the violence in sight that most people can see. When should the United States begin significant troop withdrawals?

CLINTON: Well, there's a preliminary question to that. And the preliminary question is, when will the United States have a strategy that can gain the confidence of the Iraqi people, support the new Iraqi government and protect our troops. And we haven't had that.

You know, I am not one who feels comfortable setting exit strategies. We don't know what we're exiting from. We don't know what the situation is moving toward.

I have said on many occasions, I regret deeply the way the president and the civilian leadership at the Pentagon pursued this action in Iraq. I think numerous mistakes were made. And I believe that it is unfortunate that the Congress, under Republican leadership,

has been unwilling to hold the kind of oversight hearings that previous Congresses have done.

How do we know where we're headed, when we don't know where we are. And when we don't get anything but, sort of, a chorus of happy talk from the administration.

WOODRUFF: Senator, there is so much I want to cover, and I know we have limited time so I'm going to move quickly through a couple of other things. Tom DeLay, you worked with the House majority leader on a number of issues, including foster care. Now, many of your Democratic colleagues are saying Tom DeLay is ethically challenged. Do you believe he's an honorable man?

CLINTON: You know, I'm not going to talk about someone's character in that way. Really what happens to him depends upon the House. I have serious disagreements with him politically. I think he is leading the country in the wrong direction. I think his political philosophy is bad for America. I think the decisions that he has made and the way in which he has stifled dissent and run roughshod over democracy with a small d in the House is very bad for America.

So, on political grounds and on policy grounds, I think that his leadership has been unfortunate not only for the House of Representatives, but for the country.

WOODRUFF: Let's talk about you for a moment. Your former -- your old friend, former Georgia Democratic Senator Zell Miller has written in his new book that you just might be elected president in '08. He says because she will position herself much closer to the middle than anybody could have imagined. What do you say to Zell Miller?

CLINTON: Well, I appreciate that. You know, he and his wife Shirley have been my friends for a very long time. And as with friends, we don't always agree on everything, obviously.

But I have a very deep affection for him and his wife. And I take it as high praise, because I have tried very hard in these years in the Senate to, you know, seek out common ground and to look for solutions to problems. And not to turn everything into a partisan wrangle. And not give into the extremes. And I don't care where they're coming from, I think that's bad for our country.

WOODRUFF: Speaking of that, Democrats as we know, were hurt last November in some places on the so-called social issues. Let me ask you about -- you talked about the need for Democrats to do a better job of talking about cultural issues. For example, you said abortion should be as rare as possible.

And yet when it comes to a Supreme Court nominee, Democrats are talking principally about abortion rights instead of affirmative action or social safety net. Is that a mistake for the Democrats?

CLINTON: well, I don't know which Democrats you're talking about, because I'm not. I've given a couple of speeches over the last four years raising concerns about the judicial activism of the Supreme Court. You know, that's not talked about enough.

But this Supreme Court has reversed more legislation enacted by the elected representatives of the people than any other Supreme Court in recent years. And so I'm

concerned about judicial activism that really undertakes an effort to turn back the clock on the progress of the 20th Century.

(END VIDEOTAPE) WOODRUFF: Part one of the interview. As one of the nation's most prominent Democrats, Hillary Clinton is keenly aware of the party's successes and mistakes.

(BEGIN VIDEO CLIP)

CLINTON: We may not have done as good a job perhaps in communicating and connecting with people, but that doesn't change the facts of what we stand for.

(END VIDEO CLIP)

WOODRUFF: Still ahead, Senator Clinton on where Democrats are headed and what she may do in 2008.

Also ahead, a new verdict in Texas in the possible political fallout for House Majority Leader Tom DeLay.

And later, is the stem cell research debate driving a wedge among Republicans?

WOODRUFF: Many political observers say they believe **Hillary Rodham Clinton** has tacked to the center since becoming a senator. But our new poll shows that 54 percent of Americans would peg Senator Clinton as a liberal. 30 percent say they see her as a moderate.

During our interview today, I asked Senator Clinton about efforts to moderate her party's stand on abortion, and she insisted Democrats no longer need to be on the defensive on that issue.

(BEGIN VIDEOTAPE)

CLINTON: I think our goal is to reduce, as low as possible, the number of unwanted pregnancies, to try to help young women and young men make responsible decisions, to be there with adoption as an alternative for young women who do proceed with their pregnancy, to talk sensibly about providing emergency contraception after a woman's been raped. You know, I think that on the overriding goal of whether or not we want to criminalize abortion, criminalize women, criminalize their doctors, a vast majority of Americans say no.

But I think there is a very strong feeling that we should work together to try to create better conditions to reduce abortions. And I would just add that during the Clinton administration, abortions went down. And they've gone back up under the Bush administration. So clearly, what is being done by the current policies are not necessarily working.

WOODRUFF: Similarly, on the question of gay rights, aren't Democrats always going to be on the defensive? You now have 11 states that ban gay marriage. Should Democrats think about changing their position?

CLINTON: Well, I don't know many Democrats who support gay marriage. In fact, I don't and haven't for, you know, years before I became a senator. But I support giving people the right to enter into recognized relationships, that whether you call him civil unions or

domestic partnerships, enable them to own property, to have hospital visitation. To me, that's a human rights issue.

Maybe I have just known more people than some of my colleagues, have because I've been blessed to know thousands of thousands of wonderful, patriotic, decent Americans, some of whom have committed relationships to their partners and who have suffered because when one was sick, they couldn't have that person by their bedside. I don't think that's right.

WOODRUFF: A lot of people give -- more broadly -- the Republicans credit for giving a narrative that they can say in just a few sentences. And criticize the Democrats for so often sounding like a string of policy statements from different interest groups. What, to you, in just two or three sentences, should be the narrative for the Democratic party?

CLINTON: Well, the Democratic party is responsible for most of the progress of the 20th century. It is the Democratic party that fought and stood for democracy and freedom. It is the Democratic party that created the ladders of opportunity that enabled millions of people to lift themselves into the middle class and fulfill their God-given potential. And it is the Democratic party that battered down the obstacles that stood in the way of women and minorities and others, having the opportunity to fully participate in American life.

And I think that if you really look at narrative of the 20th century, we're on the side of the continuing progress on behalf of the American people, and of America's leadership in an effective way at home and around the world. And the Republicans' narrative is really one that wants to turn the clock back. I think our narrative is better. We may not have done as good a job, perhaps, in communicating it and connecting with people, but that doesn't change the facts of what we stand for.

WOODRUFF: Three other quick things. 2006, you're running for re-election?

CLINTON: I sure am.

WOODRUFF: To the United States Senate. Ed Cox has formed an exploratory committee, Republican attorney. He's already saying New Yorkers deserve a senator who is committed to New York and only to New York. If you were asked to pledge, at some point between now and next year, whether you will definitely fill out a six-year term in the Senate, what would you say?

CLINTON: I am focused on winning re-election. That is what I work on every single day, just as I have worked my heart out for the last four years. I think that many people in New York know how hard I've worked. Obviously dealing with 9/11 was a horrific experience and responsibility. I've tried to work throughout the state. I've tried to bring people together from upstate and downstate and from one end to the other. And I'm going to continue doing that every day, and I'm not going to get diverted. I'm going to stay focused on what my job is as the senator from New York.

WOODRUFF: '08. When do you have to make a decision?

CLINTON: Oh, I'm not even, you know, remotely considering that. My view is that, you know, life unfolds at its own rhythm. You know, I have never lived a life that I thought I could plan out. And I'm just trying to do the best I can every day. I find I have a lot to get done

between the time I get up and the time I go to bed. And obviously, it's, you know, it's very flattering, I guess, for people to feel that way, and I appreciate it.

But, you know, I'm focused on '06. I'm trying to do the best job I can. I care deeply about these issues that we're fighting out here in the Senate, which I think are going to determine what kind of country we're going to have.

(END VIDEOTAPE)

"The Early Show," CBS, 6/16/2005

HANNAH STORM, co-host:

Republican Senate Majority Leader Bill Frist and Democratic Senator Hillary Clinton are normally adversaries on, well, just about everything. But today they're coming together to announce a new bipartisan health-care initiative.

Senator Frist and Senator Clinton, good morning to both of you.

Senator BILL FRIST (Majority Leader): Good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning.

STORM: Senator Frist, right before we start, though, I do want to address the big headline today. You were so instrumental in efforts to involve Congress in the Terri Schiavo case and keeping her alive, and, as you know, the autopsy findings were released that she did have massive irreversible brain damage. What was your reaction?

Sen. FRIST: Well, I think, I haven't seen the report itself, but I believe it does bring a very sad chapter to a close. We all knew that she had devastating brain damage. This was documented today. We feel for the family. We know there was a lot of discussion and a lot of media attention, and hopefully this brings this to a close. The diagnosis they made is exactly right; it's the pathology. Respect that, and I think it's now time to move on.

STORM: All right. Senator Clinton, it's nice to see the two of you on the same page here with something, as you come together for this very important health information technology legislation. For average Americans, how is this going to change and improve their health care?

Sen. **CLINTON**: Well, we believe it's going to be a dramatic change. And here's what it will do. It will create an electronic medical record that is secure and confidential for every American. It will provide immediate access to important health-care information to physicians treating you, to nurses who are looking after you, to hospitals and nursing homes who are taking care of you. And it will enable your doctor in New York to talk to a doctor in Tennessee, if you were to travel from New York to Tennessee and need medical assistance.

And it will cut the time and the mistakes that unfortunately get made because people don't have accurate information at their fingertips. And lower the cost of health care because we won't need to be duplicating tests and doing thing over. We'll have all the information in one place.

STORM: Senator Frist, it's interesting that you are coming together. It's been such a divisive climate in the Senate. Why cooperate on this issue in particular?

Sen. FRIST: Well, Hannah, this gives us a great opportunity. I think it's demonstrated by the two of us being here today that we're in a world today with miracles in medicine, whether it's the heart transplants that I have done in the past or just delivering a baby today with all the technology available. Yet in spite of that, we have huge inefficiencies in the health-care system that diminish the quality of care, that mean more medical mistakes are made and at the same time drive up the cost of health care for everybody listening to us today.

Thus, we're going to hit it head on in a nonpartisan way over the next 18 months, working with the administration, bipartisan way in the Congress, to establish a technology system of health information that will empower patients, consumers, you and everybody, to get information that they can use. And, at the same time, as Senator Clinton just said, allow the 900,000 doctors out there to communicate one with another with the 6,000 hospitals and 4,000 community health centers, none of whom communicate one to another today electronically. It will lower the cost. It will reduce the mistakes that are being made and drive up the quality of health care.

STORM: Senator Clinton, American citizens would really like to see more of this type of cooperation and action in the Congress. A recent Gallup Poll showed that 59 percent of American citizens--That's such a high number--disapprove of Congress' performance. The president is getting frustrated. He said this week, lashing out at the Democrats, that they were delaying solutions and obstructing progress, and what's your reaction to that?

Sen. **CLINTON:** Well, I think, this is a perfect example of what we can do when we do work together. Senator Frist and I started talking about this issue over a year ago. We have been working steadily toward the introduction of this legislation. And we really see this as not only an important piece of legislation that will improve the quality of our health-care system and decrease costs, but as an example of coming together to solve a problem that we have to address as a nation. So, whenever there are opportunities to work together, I know that we're going to try to do that because, you know, I agree with some of the frustration that Americans feel. We have real challenges confronting us. This is one of them, but there are so many more, and we do need to try to find solutions.

STORM: And, Senator Frist, speaking of solutions, many have accused the Senate of playing party politics here with this John Bolton nomination as ambassador to the UN. Are you going to try for a vote on that again today, and what is the future of that nomination? How can the two parties come together? The Democrats say they want information that the Republicans aren't giving.

Sen. FRIST: Well, I think, that we will come together. I think if you look what we're doing on the floor of the Senate today, we'll go over and work on energy policy, and I expect we'll pass that in a strong bipartisan way after a lot of debate and amendment over the next week and a half. We're passing a highway bill over the course of the next week and a half.

We've already done it in the Senate, again working together. Our being here today on what I believe is the number one problem addressing the country domestically today, and that is the cost of health care--the fact that the two of us are on your show today. There can always be issues, whether it's the judges or whether it is John Bolton's nomination, that there is going to be a contrast of ideas. We take that to the floor. We ultimately, just like with judges, work it out. It's tough. It's messy. It looks chaotic, but ultimately we get to a solution. And we hopefully will be able to--well, if the president's nominated John Bolton; we'll take it to the floor. We'll see whether or not he has the votes and, if so, he'll be confirmed. I don't know whether we'll be voting on it today or not, but in the very near future.

STORM: All right. Senator Frist, Senator Clinton, nice to see the two of you together. Thanks.

Sen. **CLINTON**: Thank you. Thank you, Hannah.

Sen. FRIST: Thank you. Good to be with you, Hannah.

STORM: Now to Rene and Russ.

RENE SYLER (Co-host): All right. Hannah, thanks.

Up next, we're going to have the latest on that missing American teen-ager in Aruba, including a new hunt for clues. This is after authorities conducted a second search of one of the suspect's home yesterday.

RUSS MITCHELL (Co-host): And later, we'll have safety tips for parents before your kids get on those wild amusement park rides this summer.

This is THE EARLY SHOW on CBS.

(Announcements)

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS HEARING ON IRAQ ISSUES, 6/23/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

Thank you, gentlemen, for being here and thank you for your service under very difficult circumstances.

I think that one of the challenges we face in our country, as well as in the Congress, is that there are grounds for reasonable disagreements about how we pursue our goals in Iraq and elsewhere.

I absolutely agree that our enemy, our violent, nihilistic extremists -- I agree that if we and the Iraqi people and their government are successful in Iraq, it will be a transformative historic event.

I think it's also fair to point out that there are great risks and dangers associated with this strategy and that the young men and women who wear the uniform of our country are put in harm's way every day. And I know how heavily that weighs on all of us, those of you that command them and those of us who vote to send them there and vote to try to provide the resources that they need

So while there might be reasonable disagreements about how we pursue our goals, I hope, Mr. Secretary, you would agree that Democrats and Republicans, people of every political belief and not at all, united after the 9/11 attacks on our nation. And that has been especially evident here in this Senate Armed Services Committee under the bipartisan leadership of Chairman Warner and Ranking Member Levin.

Mr. Secretary, would you agree with that statement?

RUMSFELD: Senator, there's no question but that the country and the Congress united after September 11th.

CLINTON: Mr. Secretary, I want to read you a quote from today's newspaper.

"Conservatives saw the savagery of 9/11 and the attacks and prepared for war; Liberals saw the savagery of the 9/11 attacks and wanted to prepare indictments and offer therapy and understanding for our attackers."

Mr. Secretary, do you agree with that statement by a senior member of this administration?

RUMSFELD: I don't know who made the statement or the context of it, and I've just gotten through saying that when one takes a single sentence or a single comment out of a longer statement that may have context, I find frequently that it is harmful.

And I don't know who said it or what the context was, and, obviously, it's not something I said.

CLINTON: I appreciate that.

Well, it is a statement by Karl Rove, and it is the kind of statement that is particularly harmful and painful. It is the kind of statement that is unnecessary. It is the kind of statement that pits Americans of good faith seeking to support the men and women in uniform, seeking to protect them, seeking to support you, despite the fact that we might have serious questions and even disagreements about strategy and tactics.

And so it politicizes and turns into a partisan game, something as serious as the attack on our nation on September 11th and something as deadly as the conflict in which we are currently engaged.

So I would hope, Mr. Secretary, that you and other members of the administration would immediately repudiate such an insulting comment from a high-ranking official in the president's inner circle.

You know, it is very disturbing to many of us, increasingly so, that we cannot have a national conversation about something as important as the conflict that we face, which I, for one, believe is a long-term challenge to our very existence, and it's certainly a challenge that you're attempting to deal with in the field and in the Pentagon.

And it is not just people on one side of the aisle who have raised these issues. A recent bipartisan group of members of Congress called for an end of the conflict, a withdrawal of our troops, something I don't agree with, but I understand the frustration and the concern and anxiety that motivates such a statement and question.

And I would not in any way question the resolve, the toughness, the patriotism of anybody who raises legitimate questions and has disagreements about how we are to pursue our objectives.

And with due respect, I think it would be helpful if we would hear a little bit more of that tone from our president and from our vice president and from our other high-ranking officials in the administration.

I'm old enough to remember how deeply divided our country was in Vietnam. I never want to see that again.

We may have disagreements about how to engage in this conflict and how to win it, but I never want to live through that again, and I don't think any of us do.

So I would respectfully suggest that perhaps we adopt a somewhat different tone and approach in discussing these very critical matters for the benefit of all of us, and particularly the benefit of the young men and women who we're so proud of and so grateful to for their sacrifice.

RUMSFELD: Senator, I certainly agree. I think you'll find the tone in my remarks fit what you're talking about. I think that it is unfortunate when things become so polarized or so politicized, and you've heard some of that here today. It isn't helpful.

In my remarks, I pointed out that there are a number of questions that are raised by the public, by members of the House and the Senate, and that's a perfectly proper and legitimate thing to do.

Our democracy permits that. We can live through it in a wartime period if we do it in an orderly way and a sensible way and civil way.

CLINTON: Thank you, Mr. Chairman.

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS
HEARING ON GUANTANAMO BAY DETAINEE
TREATMENT, 7/13/2005**

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

I don't know where to begin.

General Craddock, was it any member of the Al Qaida or Taliban who took pictures of these interrogations, techniques and thereby revealed them to the world?

CRADDOCK: I'm not aware of Al Qaida or Taliban taking pictures of interrogations at -- oh, you're talking about for their manual.

CLINTON: No. The discussion about how these interrogation techniques became public and who knew about them and what kind of information that might give to the prisoners to resist interrogation, in fact, these techniques became public because of actions and decisions made by members of the United States military. Isn't that correct?

CRADDOCK: Not that I'm aware of.

CLINTON: Well, think of Abu Ghraib. And think of the pictures that were published that were taken by members of military police units and others inside that prison. Isn't that what happened?

CRADDOCK: Senator, those were not interrogations.

CLINTON: No, but they led to the inquiry about interrogations, did they not?

CRADDOCK: The timing on these techniques we talked about today, the applications, the Joint Task Force Guantanamo applications of the techniques, preceded those pictures.

CLINTON: I guess my point, General, is that as we look at what our real goal here is, our goal is to be effective in interrogation in order to obtain information in order to deter attacks and in order to find out significant intelligence that will enable us to defeat this enemy. Isn't that right?

CRADDOCK: I agree.

CLINTON: So I think it's important to put in the record that at least for some of us, at least speaking for myself, my concern about this is driven primarily about how effective we are going to be.

And there is considerable evidence that the underlying techniques, as well as the publicity about those techniques, which did not come from the enemy that we were interrogating but from people on the inside within our own military is really what should be the focus here, that if these techniques were so effective, why didn't we get better information? Why do we still have people who have been resistant? And especially in Guantanamo, where they have been basically out of communication for three years.

So I think that the intensity behind some of the questioning that you have received really begins from a fundamental disagreement about how we can be effective in pursuing the objectives that we all agree are the ones that are most important.

CLINTON: And, at least from my perspective, I think that we made serious errors in authorizing and permitting a number of these techniques -- because they were not effective.

And, in a free society, which we still are, it is very difficult to keep such behavior totally private. So, at some point, they were going to be revealed and disclosed, as the log about detainee 063 has been revealed and disclosed.

So I guess, General, you know, the questions that many of us have are really about the underlying attitude that has been taken toward this series of investigations that have been carried out.

And our belief that we haven't done all we should to be as effective as we need to be, and the failure of accountability, leads to ineffectiveness.

General Schmidt and General Furlow, let me ask you: Your report indicates that several past interrogators at Guantanamo Bay declined to be interviewed and are currently in civilian status.

How many of the FBI's allegations of aggressive interrogators involved former interrogators who declined to be interviewed?

FURLOW: Sir -- excuse me, ma'am -- on the FBI side, none of the FBI agents refused to be interviewed. And the reason why we were not able to talk to the individuals that had prior experience down there was that we do not have subpoena capability under the A.R. 15-6, which was an administrative investigation. And that's what limited it.

If the person was still currently serving in the military, we could force them to visit with us. If they had served their time in Guantanamo and returned to civilian life as a reservist, we were not able to subpoena them and force them to visit with us.

CLINTON: And how many people were you unable to subpoena or force to visit with you?

FURLOW: Ma'am, we felt that there was not anybody that was material to this case.

CLINTON: How many, though, were you unable to visit with or subpoena?

FURLOW: I'd say less than 10.

CLINTON: General, is that your recollection?

SCHMIDT: Yes, ma'am. It was very, very few. Those that we could not get to that were relevant to our investigation was just a small amount. Principally, it involved one that involved the death threat, in a ruse that we found out about in an interrogation. That was the one that concerned us the most.

CLINTON: And wasn't there also a former interrogator who wrote a book about his experiences?

SCHMIDT: That's correct. You're referring to Sergeant Eric Sarr. He was on his way to make a documentary. We asked if he had seen things, would he like to air that? Would he like them investigated? He declined to be interviewed by us repeatedly.

CRADDOCK: Senator, let me set the record straight. He was not an interrogator. He was a translator, a linguist.

CLINTON: Well, as a translator/linguist, he would have been, perhaps, accompanying interrogators and therefore a witness, would he not?

CRADDOCK: He participated in one or two interrogations that we can establish as a linguist.

CLINTON: Well, General Craddock, I just hope that at some point we can clear the air on these matters because I think we need to. And whatever revisions need to be made in the field manual or the Geneva Conventions, the United States ought to be a leader in that. And we ought to do so both because that's what we believe and the kind of people we are, and also because we want to be effective.

There's a lot at stake. And, you know, it doesn't inspire confidence when we have all of these unanswered questions and when General Miller, who we know, went from Guantanamo to Iraq and was told to Gitmo-ize Abu Ghraib, is basically the central figure in both of these investigations and yet, once again, is free of any accountability or any admonishment. It raises serious questions.

Thank you, Mr. Chairman.

DEMOCRATIC WOMEN SENATORS HOLD A NEWS CONFERENCE ON THE NOMINATION OF JUDGE JOHN ROBERTS TO THE SUPREME COURT, 7/28/2005

CLINTON: Well, I'm just very pleased to be here with my colleagues under Senator Mikulski's leadership.

CLINTON: This is an extraordinarily innovative way of creating an opportunity for people around the country to be part of this process.

Democracy started in small groups and in town hall meetings, gatherings in our nation where people could look each other in the eye. And obviously, over the last 225 years, we can't do that anymore. We're too big, we're too complex.

But, thanks to the miracle of modern communications, we have an opportunity to include people and give them a chance to participate.

And we're very hopeful that this will elicit a tremendous outpouring of responses. We will do our best to make sure that these questions get to our colleagues on the Judiciary Committee. We will be passing them on to those who are managing this nomination for the White House, because it is not just us who are asking the questions. It is the American people.

And there are so many important issues at stake. And this nominee, like all nominees, has to provide answers that give the American people some insight into what he will do with a totally unaccountable, unreviewable position on the United States Supreme Court for decades to come.

So I'm delighted to be here and be part of this and look forward to the questions that will come to our Web sites.

MIKULSKI: Are there any questions?

QUESTION: Senator Clinton, I was wondering if you'd tell me when you're going to be meeting with Judge Roberts and what he's going to have to do during that meeting (OFF-MIKE)?

CLINTON: Well, I am going to be meeting with him later today. And I am waiting to see the process unfold. I haven't made any decision about how I intend to vote.

I consider this one of the most important responsibilities I have as a United States senator, something that's explicitly mentioned in the United States Constitution. I take it very seriously.

So I'm going to be watching and listening and gathering information. And my opinion will be, obviously, influenced by what I learn.

MIKULSKI: Any other questions?

QUESTION: (OFF-MIKE) Judge Roberts comes before the committee and he says that he thinks that Roe v. Wade was wrongly settled, do any of you hold open the possibility that, if he says that, that you can still vote in favor of his nomination?

(CROSSTALK)

BOXER: I think that Maria Cantwell put this in the context of privacy rights. If he says that, then you must probe. If he says he thinks Roe v. Wade was wrongly decided, we all know that case emanated from Griswold. So then you've got to say: Well, did you think Griswold was wrongly decided -- and probe that.

And it's a bigger question, but it is to me -- I only speak for myself -- a very ominous sign on his view on privacy. And I just wanted to lay something out here on the table. This is really important. This latest poll that just came out: Should Senate support or oppose Roberts based on qualifications or also other issues?

BOXER: On qualifications, 36 percent say that's the only issue. 56 percent say his view on the issues.

So it is extremely important. And in this particular poll, 65 percent agree with Roe.

So I think, if you put that together, I think anyone who doesn't view the right of privacy in a positive light is going to be in trouble, because the American people -- as far as I know, if you ask them a blank slate, "what's your most important right," they'll list privacy right up there at the top.

QUESTION: But it's not an absolute (OFF-MIKE)?

BOXER: Well for me, I would say someone who wants to overturn Roe does not respect the right of privacy. And I would have a very difficult time -- an impossible time, frankly -- voting for someone who doesn't respect the privacy of half the population.

So you can...

(CROSSTALK)

MIKULSKI: What Senator Boxer is saying -- and we're all saying -- is that we're not a single-issue group. We're deeply concerned about the right of privacy, the right to protect the environment, people with disability, to address grievances in a nonviolent way.

But what Senator Boxer said is what many of us hold. Senator Cantwell has spoken as well on privacy.

If you believe that Roe v. Wade should be overturned, then what other privacy cases do you want to overturn? Do you want to overturn the Griswold case which occurred in Connecticut in which married couples were forbidden or not allowed to buy contraceptives?

What should the United States Supreme Court be doing in the bedroom of married couples?

Then this takes us to other issues. What is the access to financial records, to medical records? It will take us into the Patriot Act. It takes us into issues between privacy and national security.

So we feel very strongly, but Roe and Griswold have always been the anchor to that. And, quite frankly, for me, it would be very troubling if he said that.

QUESTION: Senator Mikulski, (OFF-MIKE) recommends Senator Feinstein. (OFF-MIKE)?

MIKULSKI: Senator Feinstein is very favorably disposed to this group. She wants to have the questions asked.

MIKULSKI: But, as a member of the Judiciary Committee, she didn't want to participate in the press conference -- but she sure wants to hear the questions that are going to come through the Web site.

QUESTION: I direct my colleague's question more specifically to Senator Clinton about Roe. (OFF-MIKE) said, "I believe Roe was wrongly decided," would that be someone you feel you could vote for for confirmation?

CLINTON: You know, I'm going to wait and hear the answer in the Judiciary Committee. I share the concerns of my colleagues. I want to see what the nominee says. We're speculating. I'm not going to be speculating. I want to hear what he says. I want to see the facts of the evidence. I want to see more documents. And then we'll go from there.

MIKULSKI: Well, I think it's time now -- excuse me. Congress can hold up, yes.

QUESTION: Just one more on Senator Feinstein. With just one woman on the committee, to what degree do you all expect or want her to be kind of an emissary for (OFF-MIKE) women?

MIKULSKI: Well, Senator Feinstein, as you know, speaks in her own voice. But what we do know is that the members of the Judiciary Committee, particularly our side of the aisle, intend to raise these issues as well.

They are very supportive of our Web site. They think it's creative. They think it's ingenious. A wonderful way to provide access to the process in a way that will be almost reinvigorating to the process.

So it doesn't all fall to Feinstein. It falls to every member of that Judiciary Committee to ask probing questions -- because this is a lifetime appointment and could shape the 21st century in the history of the Supreme Court.

LANDRIEU: I can't wait for the picture to be shown on national television consistently throughout the hearings. We just lost 50 percent of the number of women that were on the Supreme Court, and now we'll see a judiciary room of a group of men and one woman deciding a very important issue.

So yes, she will be speaking loud and clear and so will that picture.

MIKULSKI: And so will we. With that, we end the questions.

Thank you very much.

END

"On the Record with Greta Van Susteren," FOX, 9/5/2005

VAN SUSTEREN: We had lots of visitors today in Houston, including two former presidents of the United States and several members of Congress, including Senator **Hillary Rodham Clinton**, whose own state went through September 11 and had much damage and heartache. Let's listen to the interview.

(BEGIN VIDEOTAPE)

So Senator, what's the advice -- your state, New York, has gone through this hell. What's your advice for both Houston (INAUDIBLE) a lot of this problem, and Louisiana, and Mississippi and Alabama?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Well, obviously, I'm here in part because America was so generous to New York after 9/11, and we had enormous help both from the federal government, as well as from private individuals, corporations. Everybody chipped in. And our recovery was much more possible because of that.

Now, though, the dimensions of this disaster, the hundreds of thousands of people who are directly and indirectly affected, you know, it means that we're in this for the long term, and I hope everybody understands that. And I'm going to do everything I can when I get back to

Washington tomorrow to make sure that the people of New Orleans and the surrounding parishes and up and down the Gulf Coast in Alabama and Mississippi, everybody who's been affected gets the help that they deserve from America.

VAN SUSTEREN: Let me ask you sort of an odd question. What can the media do? I mean, it's, like, you know, we sort of -- we follow this around, but you've been through this in New York, and you know, we have our job. But how can we sort of help the whole process?

CLINTON: Well, I think the media has done a good job over the last seven, eight days. You have brought home to America and the world the enormity of the suffering and loss that has happened. And stay with it. Don't get diverted from this story. This is, you know, something that will take months and years even to define and analyze. And the media can't just go to another story. And maybe now there has been a seriousness of purpose, you know, that really gives the media a chance to, you know, turn away from some of the celebrity stories of the moment.

And let's look at how we're living in America. Let's look at the challenges that people face every day, and then let's be sure that we do everything we can to follow the individuals who are going to be so drastically transformed in this effort.

You know, I think that -- when I look at those pictures -- I've been to New Orleans a lot. I'm familiar with the surrounding area, the parishes up and down the Gulf Coast. I know those people have lots and lots of friends. Living in Arkansas, we used to go, you know, down there all the time. And I just want to be sure that Americans know that we're going to need help for months and years to come. And the media has to help us to remind ourselves of that.

VAN SUSTEREN: How do we avoid disaster fatigue, meaning all of us sort of -- you know, the government, the private givers, the corporations, the media -- how do we avoid getting disaster fatigue and sort of forgetting about this? We all have the enthusiasm right now, you know, let's help these people. I mean, this is not a short-term project. How do we stay on it?

CLINTON: By staying on it and by doing what has been done the last several days, which are sort of the human aspects of this story. You know, let's follow some of the people who have been dislocated from their home. Let's see if they do get jobs. Let's see if they do get help. Let's see if their kids get into school. Let's see if they get the medical care they need.

You know, that to me -- there is no more important issue, and so I hope that both from a civic perspective and, frankly, from a moral perspective, Americans don't get fatigued and the media doesn't get fatigued because we have a lot ahead of us.

VAN SUSTEREN: Any thought on Texas and Houston, how they've done? How have they done?

CLINTON: They've done well.

VAN SUSTEREN: And you know...

CLINTON: They have done really well.

VAN SUSTEREN: I want to tell you, walking through the Astrodome, when people -- when members of Congress show up or even celebrities show up, it's a little bit of an inspiration to these people. It's, like, you know...

CLINTON: You don't want anybody to feel forgotten.

VAN SUSTEREN: No, no. But I'm saying just the walkthrough is huge for everybody.

CLINTON: Well, that's what we're going to go to.

VAN SUSTEREN: Thank you, Senator.

CLINTON: Thanks, Greta.

(END VIDEOTAPE)

VAN SUSTEREN: Jada Pinkett Smith -- she was also here to inspire and to find out how she can help people. She joins us next.

"48 Hours," CBS, 9/6/2005

VAN SANT: (Voiceover) Washington politicians returned today to Capitol Hill and signaled their determination to investigate the disaster along the Gulf Coast.

Senator **HILLARY RODHAM CLINTON:** Well, we got to help--help you get back into nursing school.

(Footage of Hillary Clinton in shelter)

VAN SANT: (Voiceover) New York Democratic Senator **Hillary Rodham Clinton** urged the president to restore FEMA to full Cabinet-level status. 48 HOURS correspondent Susan Spencer spoke with the senator today in Washington.

Sen. **CLINTON:** Money has been taken away from FEMA, functions have been taken away from FEMA, personnel have been cut. It has been cannibalized.

SUSAN SPENCER reporting:

So should Michael Brown be fired?

Sen. **CLINTON:** Well, you know, I have learned in watching this administration closely now for four years, you're only fired if you tell the truth and if you speak truth to power, so to speak.

SPENCER: Was that "yes"? Was that a "yes"?

Sen. **CLINTON:** Well, I think that, you know, this is up to the administration.

SPENCER: You--you can't mean to basically give the state a pass on this or imply that the state did such a bang-up job either, right?

Sen. **CLINTON**: Well, I--I don't think that we should give anybody a pass.

Mr. BROUSSARD: We're going to have the volunteer fire departments go out with bullhorns and announce that food and water and medicine is available at these locations.

(Footage of Broussard talking with aid workers)

“Good Morning America,” ABC, 9/7/2005

(Off Camera) Bob Woodruff reporting from New Orleans this morning. Well, the administration and its response to Katrina has certainly had its share of critics, and prominent among them has been Senator **Hillary Rodham Clinton** of New York. She joins us this morning from Washington.

CHARLES GIBSON

(Off Camera) Senator, I saw that you called emergency planning under the president a recipe for disaster. Do you hold him to blame for what's happened in, in the Gulf Coast?

SENATOR HILLARY **CLINTON**, DEMOCRAT, NEW YORK

Well, I think we need to get to the bottom of what did happen, Charlie. You know, I've called for a commission similar to what we did for 9/11. I'm not interested in, in pointing fingers, I'm interested in getting answers. When I was in Houston on Monday, and meeting with so many of the people who had been evacuated, that's what they wanted. They asked me questions I couldn't answer. They deserve answers. I think all of us in our country deserve answers.

CHARLES GIBSON

(Voice Over) But do we need commissions to do this? Isn't the time for all of that far down the road?

graphics: hurricane katrina

graphics: what went wrong?

CHARLES GIBSON

(Off Camera) The problem right now is to get help to those folks.

SENATOR HILLARY **CLINTON**

Absolutely. Well, that's why I think it needs to be done by an independent commission of experts outside of the government. I don't think the government can investigate itself, and I

don't think the government should be distracted from the main job, which is the recovery process that needs to go on. So, I think that having an independent commission actually removes some of the pressure, so that people who are experts in disaster response can begin to look at this while memories are still fresh, while everybody has an idea of what they did or didn't do, but the people responsible mostly in our government, to making sure that the lives that have been so devastated are begun to be put back together can focus on that job which is job number one.

CHARLES GIBSON

(Off Camera) In your letter to the president, you called for a commission to fully examine Federal response efforts to natural disasters. Why in this case not the city and the state? They're the first responders and they clearly were totally overwhelmed.

SENATOR HILLARY **CLINTON**

They absolutely were and of course that should be investigated. But on August 27th, the Saturday before the hurricane, the president signed an emergency declaration. What that means legally is that the Federal government took responsibility for coordinating the response. That means coordinating state and local governments. But I'm primarily interested in why, if there was an emergency declaration signed, the Federal government was not more ready, not more able, not more willing to do what needed to be done to help those people who were the first line of defense on the ground throughout the Gulf Coast.

CHARLES GIBSON

(Voice Over) Doesn't Congress -bear a good deal of the blame not only for putting FEMA in the Department of Homeland Security but also for allowing the cuts in funds to fortify those levees year after year?

SENATOR HILLARY **CLINTON**

That's why I think we need an independent investigation. You know, I have a great deal of respect for my colleagues, Susan Collins and Joe Lieberman, they're beginning an inquiry in their committee. The president has said he's going to look into it. I think that can all be useful. But at the end of the day, just like with 9/11, we need independent experts, we need people with different kinds of experiences to take a hard look at everything that was done. You know, it's been tough these last few years. The primary priority of this administration domestically has been tax cuts, and when tax cuts for the wealthiest people in the country takes priority over everything, you're going to see some, you know, effects of that over the long run. And, you know, Charlie, that's one of my larger concerns, is that, you know, we need to put the American people first. We need to be taking care of the needs that we have to repair and fix our infrastructure, and that's not just a problem for New Orleans, that's a problem for New York, that's a problem for everywhere, and that means we need to be having spending priorities that will protect our country.

CHARLES GIBSON

(Off Camera) Senator Clinton, good to have you with us. All the best. Thank you.

SENATOR HILLARY **CLINTON**

Thank you, Charlie.

CHARLES GIBSON

(Off Camera) That interview just before we went on the air, Diane and Robin, and I asked her, given the fact that it's going to cost so much for recovery, and with what we're spending in Iraq, whether or not we're going to have to raise taxes, but you can't get a politician to say definitively we're going to have to raise taxes and so she didn't.

DIANE SAWYER, ABC NEWS

(Off Camera) Well, the president, of course, said to me when I talked to him last week, no tax rises.

ROBIN ROBERTS, ABC NEWS

(Off Camera) Right.

DIANE SAWYER

(Off Camera) He said you don't want to throw a curve to the economy. So, he's made up his mind about what he thinks has to be done. But I want to say something about what we find on the ground here over and over. Talk about concentration on the needs still, right now, here. Traveling around with the Red Cross yesterday, people said, what do we do about medicine? I can't get insulin. And we tried to help out wherever we could, but it's still ...

ROBIN ROBERTS

(Off Camera) Yeah.

DIANE SAWYER

(Off Camera) ... a crisis here of getting medicine. You don't have a prescription, for one thing. And how do you get a prescription?

ROBIN ROBERTS

(Off Camera) And also, the people I talked to, they said it's a blame game going on between the politicians and pointing fingers and this, that and the other. They just want answers. They just want, they have ...

DIANE SAWYER

(Off Camera) Right.

ROBIN ROBERTS

(Off Camera) ... very hard questions and they want just straight answers and they don't feel like they're getting it from either side. But that's something to be determined at a later date, perhaps. But to get the rest of the news headlines, let's go to Claire Shipman who's in Washington, DC. Good morning, Claire.

"The Early Show," CBS, 9/7/2005

Some members of Congress say FEMA needs to be an independent agency again, as it was before 9/11. New York Senator Hillary Clinton, who visited with evacuees from New Orleans at the Astrodome over the weekend, is co-sponsoring a bill to pull FEMA out from under the umbrella of the Department of Homeland Security.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Hannah.

STORM: Well, you've also called for an independent commission to investigate. At the most basic level, what went wrong with the federal response?

Sen. **CLINTON**: Well, that's what we need to find out. When I was in Houston meeting with so many of our fellow citizens whose lives have been totally turned upside down, they wanted answers to questions. They asked me question after question about what did go wrong. Right now, we have guesses. We're getting some good information from the press, but we don't know. And people not only in New Orleans or the surrounding parishes and in Mississippi and Alabama deserve answers; all of us deserve answers, and so I hope that we will have an independent commission.

The president says he wants to investigate. Obviously, the Congress is going to investigate. I don't think either the president or the Congress can conduct the kind of objective independent investigation that we need.

STORM: The president declared a state of emergency before the hurricane hit, but he, himself, has been directly criticized for his response to the disaster. What could he have done differently?

Sen. **CLINTON**: Well, I think it's important you point that out, Hannah. The president did declare a disaster on August 27th, and what that declaration said is that the federal government would coordinate response, and that didn't happen. There were so many problems and the, you know, local and state authorities were overwhelmed by the immensity of this disaster. And the federal government was slow to respond. They didn't really inspire any confidence in the people they were working with. We've seen so many examples of local and state officials saying, 'We thought they were coming. We thought they were coming. They didn't come.' We need to know what went wrong.

Now I've also said, however, that FEMA worked very well during the Clinton administration as an independent agency with someone in charge who actually understood how to respond to emergencies, had a lot of experience. My law that I would propose...

STORM: That brings me to my next question.

Sen. **CLINTON**: ...would require that be done.

STORM: Right.

Sen. **CLINTON**: Right.

STORM: That brings me to my next question. The head of FEMA, Mike Brown--I mean, there were reports this morning that he waited until hours after the hurricane hit to even request that a thousand FEMA workers go into the Gulf Coast region and even at that point gave them 48 hours to arrive. Should Mike Brown be fired?

Sen. **CLINTON**: Well, I--you know, that's up to the president and up to the people in this administration. I would never have appointed such a person, I would imagine. I don't think that anybody would. You would appoint somebody who has experience. James Lee Witt, who was the director during the eight years of the Clinton administration, had years of experience responding to disasters, and he's now there--down there...

STORM: So you think he should be replaced?

Sen. **CLINTON**: Well, you know, that's up to them, Hannah. You know, they're going to have to make the decisions, and people will judge the decisions they make.

STORM: You met with these evacuees at the Astrodome, and I'm interested not only in your personal reflections, but whether or not you feel there is an adequate plan in place for these people who are right now in a state of limbo. They can't live in the Astrodome and in these shelters forever.

Sen. **CLINTON**: Well, they're working on a plan and, you know, I'm very anxious to see what that plan will be. A lot of the people I spoke with don't know what they're going to do. Obviously, they are being told they cannot return to their homes for months and months. They don't know where to go. They don't want to be, you know, moved too far away from what they're familiar with. They need jobs. They need to get their children in school. People are working very hard on this, and I was very impressed by, you know, the local response of the people, not only Houston but, from what I've heard, at many of the other places where, you know, many of these folks have been sent.

The real challenge is what are we doing to do to make sure that their lives are not just comfortable and safe for the next week or two or three, but that they are treated with the dignity and respect that any of us would want to see if we were in a similar position. You know, I think that, you know, the best rule in politics is the golden rule. I mean, we need to help these people as we would want to be helped if something disastrous happened to us. And that's going to take money. It's not only going to take the generosity of the American people who are, once again, giving in record amounts, but it's going to take our government. You know, a lot...

STORM: Senator **Hillary Rodham Clinton**, thank you.

We want to go now to Rene and Julie.

SYLER: All right. Hannah, thanks.

Up next, Harry will have more from a Louisiana town where oil and water has caused terrible damage.

JULIE CHEN (Co-host): And in our next half-hour, unbelievable pictures that show Katrina hammering the Mississippi Gulf Coast. This is THE EARLY SHOW on CBS.

(Announcements)

"Tody," NBC, 9/7/2005

MATT LAUER, co-host:

The nation's capital may not have been hit by Katrina, but the impact is still being felt there. New York Senator **Hillary Rodham Clinton** is calling for an independent investigation into what went wrong in the wake of the disaster.

Senator Clinton, good to see you. Good morning.

Senator HILLARY **CLINTON** (Democrat, New York): Thank you, Matt.

LAUER: You wrote a letter to the president, let me quote from it. Quote, "It has become increasingly evident our nation was not prepared to launch an effective federal response plan." You're calling for an independent commission to look into it. You've also said, quote, "I think FEMA is so dysfunctional right now, I don't know how they can go forward with this current leadership," end quote. So do you think this was a problem with an entire system, or did some key individuals make poor decisions in the fog of a--of a storm?

Sen. **CLINTON**: You know, Matt, I was listening to the early part of the program with Katie and, you know, I was in Houston on Monday, and everything she's seeing there, all of the people that she's meeting, really resonated with me because the thousands of people there asked me lots and lots of questions that I couldn't answer. They wanted to know why they didn't get help. They wanted to know why everything was so disorganized. And I think that not only do they deserve answers, but everyone along the Gulf Coast, and frankly, everybody in the country deserves answers, which is why I have called for an independent commission, one that is similar to what we did after 9/11, that has people who are not involved in the day-to-day work. We cannot afford to stop the day-to-day work. These, you know, tremendous challenges we face that you heard discussed in the segment that Katie just did, we have to be moving as rapidly and efficiently as possible. But it is clear to me that when the president signed the emergency declaration on August 27th, which was the Saturday before Katrina hit, the federal government said it would take the lead in coordinating a response to this catastrophe. And for whatever combination of reasons, it just didn't work. That has been a matter of, obviously, great concern and commentary over the last several days. I don't think the government can investigate itself. That's why I've called on an independent investigation.

LAUER: Well, let me ask you about something former FEMA Director James Lee Witt, who was FEMA director under your husband's administration, said before--before the disaster of Katrina. He said, quote, "I'm extremely concerned that the ability of our nation to prepare for

and respond to disasters has been sharply eroded. I hear from emergency managers, local and state leaders, and first responders nearly every day that the FEMA they knew and worked well with has somehow disappeared."

Sen. **CLINTON:** Right.

LAUER: Now, you've called for legislation to remove FEMA from under the umbrella of homeland security. Why do you think under that umbrella that the capabilities of FEMA have been diminished?

Sen. **CLINTON:** I think there are several reasons, and obviously I agree with James Lee Witt. He was a superb director of FEMA during the Clinton administration. And what we tried to do during those eight years was to build up relationships between the federal government, state and local authorities, to have constant training, to look for ways to prevent and mitigate disasters. And what happened is several things. First of all, budgets were cut in the FEMA functions. Personnel were let go, a lot of people with a lot of experience. People were put in charge who didn't have the right kind of experience and expertise, and FEMA was put into the larger bureaucracy of the Department of Homeland Security.

You know, post 9/11, everybody thought we needed to focus on counterterrorism. What did we need to do to protect ourselves and prevent a terrorists attacks, having lived through the horrors of 9/11?

LAUER: Right.

Sen. **CLINTON:** But unfortunately there doesn't seem to be the level of competence within the bureaucracy so that FEMA could continue to perform its traditional function and, because of the budget decisions, the personnel decisions, the lack of organization, the poor leadership, you know, pick one, pick them all, they added up to what we saw in the last couple of weeks.

LAUER: By--by the way, a New York Times editorial today calls your--your decision to try to get FEMA out from under homeland security to be premature. Let me also ask you about something Ken Mehlman said, of course the chairman of the Republican National Committee, referring directly to you here. He said, quote, "You tell me who's taking what should be a moment of national unity and trying to score politically." How do you respond to that?

Sen. **CLINTON:** Well, you know, that's what they always do. I've been living with that kind of rhetoric for, I don't know, the last four and a half years. It's time to end it. It's time to actually show that this government can be competent. You know, the questions that have been raised about the competence and the effectiveness of this administration certainly are not limited to what's happened with Katrina. And every time anyone raises any kind of legitimate criticism and ask questions, they're attacked. And so, you know, let's...

LAUER: And...

Sen. **CLINTON:** ...co--let's stop. This is not a game. This is serious. The people that I met in Houston, you know, they want answers, and they want to know what went wrong...

LAUER: And just...

Sen. **CLINTON**: ...and they want to know what they are going to be able to count on in the future.

LAUER: Just 10 seconds left. It's estimated \$150 billion to rebuild the Gulf Coast, where's that money come from?

Sen. **CLINTON**: Well, it comes from the first instance in not making those tax cuts for rich people like us permanent. You know, it means let's get back to shared sacrifice. Let's take care of each other, let's plan for the future, let's do what is necessary to put Americans first again.

LAUER: All right, Senator Hilly--Hillary Clinton. Senator, thanks so much for your time this morning.

Sen. **CLINTON**: Thanks, Matt.

LAUER: Nineteen after. Let's go over to the newsdesk now. Ann Curry's on assignment, and we've got Natalie Morales at the desk.

Natalie, good morning.

NATALIE MORALES, anchor:

And good morning to you, Matt. Good morning, everyone.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON DE-FENSE ACQUISITION/ORGANIZATION, 9/27/2005

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much.

General Kadish, the last sentence in your prepared testimony says when the panel has completed its work, you'd welcome the opportunity to return. When do you expect to complete the work of the panel?

KADISH: Senator Clinton, we're on track by the end of November to have a report and an initial set of recommendations at that time. Now, we may be a little bit later than that depending on how it plays out between now and then. But that's the target area that we're shooting for.

CLINTON: So could this committee expect to welcome you back sometime after the first of the year?

KADISH: I'd be happy to come back, Senator, about that time period.

CLINTON: General Kadish, does your charge for the defense acquisition performance review project include contract services?

KADISH: Secretary England's charge was very broad in chartering us. And we have looked at the operations and service contracting activities. But right now, our major focus is on weapons systems and hardware procurements and not services as the top priority.

CLINTON: So does that mean -- and this is not a comment about your work. I'm just trying to understand the scope of your responsibility. Does that mean then that when you've finished this report in November, it will not cover contract services?

KADISH: I'm not willing to say that now, Senator Clinton. We're looking at all these areas and how it affects everything the department does. And we'll have to -- just because of the sheer volume of it, we'll have to make cuts somewhere. But I'm fairly confident that a lot of these recommendations will affect service contracting in general and the way we procure services as well. So it may not be a specific area of concentration that are a chapter in the report, but it certainly will apply.

CLINTON: General, are you aware of a study that the British government did in the last several years looking at their acquisition process?

KADISH: We have done a literature search of all the acquisition systems, not only in the United States. I'm pretty sure it included the foreign systems as well. And I'm not sure I'm aware of that specific study. But if there's something of interest there, we can certainly look at it.

CLINTON: Secretary Krieg, you're nodding your head. Are you aware of that study?

KRIEG: Actually, I'm not aware of a specific study per say, but aware of the kind of changes. In fact, I had been over once. They've divided their requirements group from their procurement group. They have centralized their procurement function. They're struggling with many of the same kinds of issues. We actually used them as -- we use each other and try to share lessons learned because we have pursued some different paths. But we're in close communications with them, both through the acquisition side and the requirements side and work together on that.

CLINTON: I would be very interested in additional information about that because it's my understanding that they went totally outside. You know, they went to an international consulting firm. They didn't use retired people. They went to people who had expertise in supply change (ph) and just in time inventory and the like. They embedded consultants with their troops in Southern Iraq.

And out of that experience, I'm told, came some very useful recommendations. And they were able then to cut lots of the red tape and the bureaucracy. Now, that might or might not be directly applicable to large weapons systems, but it certainly did help to solve some of the problems they faced, which are problems we still face in getting adequate materials into, you know, combat theaters and all of the problems we've had now going on, you know, three, four years with, you know, up-armored Humvees, body armor, et cetera. So I would like very much to know more about what they determined.

So based on what you just said then, am I to assume or not that you've done some lessons learned coming out of Iraq and Afghanistan about some of the procurement acquisition challenges we faced in very real-time situations?

Secretary Krieg, have we done that?

Or Secretary England?

ENGLAND: Senator, if I could just address at least one of the specific cases, one I'm particularly familiar with. And that's how we count our IEDs, Improvised Explosive Devices, which are obviously a serious issue for our men and women and also for the Iraqi civilians. So we have in that particular case the group responsible -- they have budgetary authority directly to the general so the general can literally himself authorize \$25 million of expenditures. And he reports directly to me also with the vice-chairman. So he has a direct pipeline to both of us.

They have people literally embedded in the field with the operating people. We have operating people here. We have dedicated test sites set up that we have put together here in the United States to test the equipment. So we've put together as a result of lessons learned in Iraq.

We have tried to apply a lot of those lessons learned in literally how we develop what the requirements are, how we field, how we train, I mean, comprehensively trying to deal with those kind of problems. So I can tell you that there are examples where I think we have learned a lot and applied a lot of those lessons learned in terms of what we do every day to be as quick and responsive as we can to our men and women in Iraq and Afghanistan.

CLINTON: I think the IED story is a good story because clearly, there has been a concerted effort to try to deal and defeat this particular form of attack. But I, for one, have never quite gotten straight all of the problems we had on a lesser level with adequate vehicles, with adequate armor. And we've read lots of news accounts. But have there also been, you know, lessons learned that you're applying in this ongoing process that General Kadish is running as to, you know, what we have learned that will inform the decisions that this panel is making about recommendations?

General Kadish or...

KRIEG (?): Go ahead, Ron.

KADISH: Senator Clinton, we did an extensive set of sessions on the agile combat support type of activities that each of the services are putting in place, have put in place. And those lessons learned will trickle -- trickle is the wrong word -- will be a part of the overall process that we're going to recommend.

There are some significantly -- there are some wonderful things that have happened in these processes. Some of the other issues were very interesting. I just might point out that people in the process that were trying to do these very difficult and fast-paced type of activities didn't think they had the authorities to do them in the bureaucracy.

And what one of the major lessons learned, at least for me, was that we've got to fix that somehow because they did have the authority. And that's a training issue. It's a workforce issue. So I think you'll see that that will be a major part of our emphasis.

CLINTON: Well, I appreciate that because, you know, we're now getting reports that, you know, for the Guard that was assigned to the Gulf coast, their equipment was inadequate, their communications systems were scarce. And, you know, it all is part of the same set of issues that we're trying to confront. So thank you.

GIAMBASTIANI: If I may, just to add, Senator Clinton, there's a very extensive lessons learned effort going on for this hurricane relief, both in Katrina and in Rita. Joint Forces Command has upwards of 25, 30 people forward deployed in addition to the reach back. We've got a governmental lessons learned effort we're participating in right now. Northern Command has embedded personnel. We've sent teams forward. They were there before, during and after Rita, for example. So we're trying to collect a significant amount to report on those types of issues. Thank you.

U.S SENATOR JAMES INHOFE HOLDS A HEARING ON SCIENCE IN ENVIRONMENTAL POLICY-MAKING, 9/28/2005

CLINTON: Thank you very much, Mr. Chairman.

I want to certainly support Senator Jeffords' efforts to come up with legislation. I look forward to the hearings that you'll be holding next week.

I have to say, Mr. Chairman, I think that the topic of this hearing is a very important one. Unfortunately, I think the hearing is organized in a way that will muddy the issues around sound science rather than helping us clarify them.

First, with all respect to the extraordinary entertainment value and success of Dr. Crichton's works, his views on climate change are at odds with the vast majority of climate scientists.

More importantly, his critique of climate change science appears in a work of fiction. It's a work of fiction even if it has footnotes, Mr. Chairman. His views have not been peer reviewed. They do not appear in any scientific journal.

I won't go into an assessment of Mr. Crichton's critique point by point, because we don't have time. However, I do want to submit for the record a document prepared by the Union of Concerned Scientists that rebuts Mr. Crichton's primary arguments.

In addition, I want to submit a document prepared by James Hansen, director of the Columbia University Earth Institute and Goddard Institute for Space Studies. In this document, Mr. Hansen details the distortions of his climate change predictions made by Mr. Crichton in his best-selling novel.

Rather than focusing on Mr. Crichton's testimony, however, I would like to focus on several broader points about environmental policy-making and the record of this administration, because I think this administration has taken the politicization of science to new levels.

And that's not just my opinion, it's the opinion of hundreds of prominent scientists -- 49 Nobel Laureates, 63 National Medal of Science recipients, 154 members of the National Academies and thousands of other scientists who have signed a statement criticizing the administration's misuse and politicization of science.

I want to read just a brief excerpt from that statement: "When scientific knowledge has been found to be in conflict with its political goal, the administration has often manipulated the process through which science enters into its decision.

"This has been done by placing people who are professionally unqualified or who have clear conflicts of interest in official posts and on scientific advisory committees, by disbanding existing advisory committees, by censoring and suppressing reports by the government's own scientists and by simply not seeking independent scientific advice.

"Other administrations have, on occasion, engaged in such practices, but not so systematically nor on so wide a front.

"Furthermore, in advocating policies that are not scientifically sound, the administration has sometimes misrepresented scientific knowledge and mislead the public about the implication of its policies.

"For example, in support of the president's decision to avoid regulating emissions that cause climate change, the administration has consistently misrepresented the findings of the National Academy of Sciences, government scientists and the expert community at large.

"Thus in June 2003, the White House demanded extensive changes in the treatment of climate change in a major report by the Environment Protection Agency. To avoid issuing a scientifically indefensible report, EPA officials eviscerated the discussion of climate change and its consequences," end quote.

And, Mr. Chairman, I ask that the full statement be included in the record.

INHOFE: Without objection.

CLINTON: Now, unfortunately, Mr. Chairman, the administration has not only misused scientific data, they've also underfunded basic science.

Funding for scientific research has flat-lined over the past few years, and this year the administration's proposed budget actually calls for a decrease in real dollars for federally funded research.

Most of the R&D budget increases that did occur in the president's budget were for new defense weapons systems, not for basic research in electronics, nanotechnology, computing, energy, physics, and all of the other sciences.

I believe the U.S. is in real danger of losing its lead in science and advanced technology. Federal R&D plays a critical role in the education and training of future scientists and

engineers, technological innovations, advancing health, increasing economic growth and competitiveness.

Now, Mr. Chairman, I'm not, unfortunately, going to be able to stay for the entire panel, but I want to just make a few additional brief comments.

INHOFE: Senator Clinton, I'm very, very sorry. We're all adhering to the time limit.

CLINTON: Mr. Chairman, if I could just get one minute. I just want to make a comment about a few of the witnesses.

INHOFE: Doctor, would you like to yield her one of your minutes?

CLINTON: I wouldn't ask that.

But I think that actually I may say something you would agree with, Mr. Chairman.

(UNKNOWN): I ask unanimous consent that the senator from New York have an additional 60 seconds.

INHOFE: With objection, so ordered.

CLINTON: Thank you.

I want to thank the panelists, although I think that the point of the hearing is misleading. I think that some of the testimony from the panelists is very important.

I want to thank Dr. Roberts for making it clear that there are questions that need to be raised about DDT. I think that is an essential issue that we need to look at. We can't necessarily turn the clock back, but I think the threat of malaria is real.

I also want to thank Mr. Sandalow. And I agree with you about the National Academy of Sciences' request -- that you put in your testimony.

And, finally, I want to thank Ambassador Benedick. Your testimony about what can happen if people act in good faith is absolutely inspiring. The Montreal Protocol did risk imposing substantial short-run economic dislocations, even though the evidence was incomplete.

But as your testimony demonstrates and as you conclude in your testimony, politics is the art of taking good decisions on insufficient evidence based on the best possible science.

Thank you, Mr. Chairman.

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A
HEARING ON PENDING DEFENSE NOMINATIONS,
10/25/2005**

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman. I want to welcome both of you and also your wives. I know that this is a joint service responsibility, and I appreciate their service as well as yours.

General Smith, I appreciated the opportunity to talk with you in my office last week. As you know, I had a special interest in Joint Forces Command. I have visited Norfolk twice as part of my participation in the Joint Forces Command Transformation Advisory Group. And I think that the command that you are about to assume has a particularly critical role to play in developing processes and technologies that support joint operations.

And I appreciated the candor that you displayed in answering Senator Dayton's response, because I think the 50-yard line is probably about right.

I'm not sure we can take another 10 or 15 years to get to the goal line. And I believe that we need to hear from you, after you've gotten your feet on the ground, what more we can do to assist Joint Forces in moving some of these critically needed technologies and components like interoperability forward.

I also think our acquisition and procurement system could benefit from a joint approach, and hope that you will consider that issue once you are confirmed. But I do look forward to working with you in the future.

And, General Bell, I think that you have a particularly difficult assignment right now. We all know the reasons. Senator Levin spoke in some detail about the nuclear challenges we face from the North, but we also face a fraying of our relations with the people of South Korea and their understanding of the importance of our position there and what we have done over so many decades to really provide them the freedom that they have enjoyed to develop the economy that is now providing so many benefits for the South Koreans.

So in effect, you will have a diplomatic role as well as a military one. And I know you understand how important that is. And I appreciate your taking it on.

I want to just follow up on some of Senator Levin's concerns. In February, North Korea declared that its self-imposed moratorium on long-range missile testing was over.

On April 28th, at a hearing of this committee, I asked Vice Admiral Jacobi, the director of the Defense Intelligence Agency, whether North Korea has the ability to arm a missile with a nuclear device.

His answer was, and I quote, "My assessment is that they have the capability to do that. Yes, ma'am."

In your estimation, what is the best way to deter North Korea from conducting long-range missile tests?

BELL: Thank you, Senator Clinton.

I think the first and most important way is to ensure that the North Koreans understand that our alliances are not just intact, they are strong, and that the community of free nations, led by the United States, is willing to defend our democracies and that for them to pursue

weapons of mass destruction, nuclear weapons and missile technology on which potentially these kinds of weapons could be mounted, is not in their best interest and it's certainly not in the best interests of a peaceful world.

So I think, first, we have to be strong in our own readiness, in our own capabilities. Second, I think we are properly positioned to enter into a dialogue with the North Koreans through the six-party talks.

These talks have been fruitful in recent times. They represent all the countries that are most engaged in this area of the world with respect to the assurances of a peaceful and stable Korean peninsula.

I think our ambassador to these talks, Ambassador Hill, has achieved great success here recently. Everything must be verifiable. And we have to proceed forward.

But I would say, in the context of the six-party talks, that the assurances that we both denuclearize or that we see a denuclearized North Korea as well as a standing down of the technologies, missile and otherwise, to deliver these weapons is important; and that we should support this process and ensure that it goes forward successfully.

CLINTON: Related to that, General, given North Korea's record of proliferation of missiles and illicit trade activity, what is the best way to deter North Korea from selling nuclear material or technology to rogue states or terrorist groups?

BELL: Well, the best way to deter them, Senator Clinton, would be to make sure that they don't have the stuff to sell or to market. And so I would hope again that the six-party talks would lead to a regimen where these kinds of weapons would be removed from the North Korean inventory.

BELL: That's first. Second, we need to ensure that our alliances, friends and partners around the world assist us in ensuring that not only do they not participate in proliferation, but that they also inform those who they have close contacts with not to do the same.

I think that the United States and all of our allies around the world, friends and partners, should draw a very sharp line on this issue and ensure that we, first, state clearly that we do not want them to participate in anything that could proliferate these weapons.

And then, second, if they do, we would like to discuss that with them as to what it means to our relationships. From a military perspective -- and I admit to you, in a second, that I have certain diplomatic roles -- but from a military perspective, my view would be to make sure that our alliance with the Republic of Korea and the coalition members remain strong.

And so that that piece of deterrence and defense, if necessary is never at doubt. And I can assure you, Senator, that if I'm confirmed to this position, that'll be my focus.

CLINTON: I really appreciate that very much, General, because I think we're at a critical juncture, obviously, in our relations with the North, which is obvious from the six-party talks and the threats they pose, but I think also with the South. And I think that there is a lack of understanding and a sense of almost historical amnesia that we have to combat and make sure people understand what the stakes are.

Thank you very much.

SENATE DEMOCRATS HOLD A NEWS CONFERENCE ON AVIAN FLU, 11/1/2005

CLINTON: Well, the good news is that the administration has acted and recognized that an ounce of prevention is truly worth a pound of cure. The bad news is that they've acted late, they've acted too little, and they have not recognized that simply having vaccine available doesn't mean it will get where it's needed.

One has to wonder how this administration, which has presided over several shortages of seasonal flu vaccines over the past several years, could with a straight face claim that we were ready merely by stockpiling or doing additional research into a vaccine.

The sad fact is that our nation is not prepared to handle a major flu outbreak, let alone a pandemic. Since 2000, we have experienced these three shortages of seasonal flu vaccine, and the question the administration needs to answer is: How will it handle distribution demands with a system that has failed repeatedly?

Now, while the president's plan calls for us to develop credible distribution mechanisms and prioritize countermeasure allocations for at-risk populations, we already do that for seasonal flu vaccine and we're still not able to get it to all the seniors who need it.

Therefore, in addition to what the president has proposed -- which is really, from my perspective, playing the repetition game because the leaders on this are before you -- Senator Harkin, Senator Obama and Senator Kennedy have been not only sounding the alarm, but presenting thoughtful legislation asking for appropriations for a year.

CLINTON: And now, finally, the president comes late to the party and says he's going to do it.

However, if we're going to have the kind of distribution that we need, we have to establish a tracking system. And that's part of what I've called for in legislation I've introduced called the Influenza Vaccine Security Act.

That would allow the federal government, working with state and local health departments, to track vaccine from factories to clinics so all Americans will know where local vaccines supplies are, particularly if and when a pandemic hits.

Now, the problems we face with a potential pandemic are made even worse because of the way this administration has begun to defund public health.

And this is another area that Senator Harkin has spoken out about eloquently, that Senator Kennedy has been a leader on, you know, for decades.

And what we see is they are creating a system that has no foundation. Because the only way we're going to be able to deliver this, assuming we can produce it, that we can use cell

technology to produce it faster than the traditional egg technology takes and that we can, you know, be able to track it and get it where it needs to be as if we have a hand-in-glove relationship with state and local government.

The best example of how poorly prepared this administration is, unfortunately, we saw in the wake of Katrina, where they not only let down state and local government but didn't really understand what was required.

The fact is the administration has not supported necessary funding to repair our broken public health infrastructure and to enable our state and local health departments to work.

When we talked to our health departments across New York, they can tell you chapter and verse how they are being defunded. There used to be a partnership. You know, back around 1947, '48, we had the threat of a smallpox epidemic because someone was found to have smallpox in New York City.

The New York City Public Health Department, with support from the federal government, vaccinated more than 6 million people within three days. That was when we had a Public Health Department and we didn't even have TVs widely available or Internets.

CLINTON: But there was a system in place, and the system worked.

That has been built up over decades. This administration is tearing it down with their misplaced financial priorities.

So I think we all want to thank the president for what he said today. But let's put money where his mouth is. Let's put infrastructure development where it is needed.

And that's going to require that we have a system that works and that it work with the financing that is required.

I have to say, it's a little bit discouraging when we know that on the floor of the Senate right now, we have a budget resolution that will drive our country even deeper into debt, will defund important domestic priorities at a time when we can ill afford it, and provide even more tax cuts for people who I guess think they can go around in a bubble and be unaffected by any kind of pandemic that might come from birds far across the sea.

Well, the fact is, we are all in this together. And together we can do better. America can do better. But we can't do better unless we have a commitment that everybody works together and that we understand being able to lead internationally in facing down a pandemic requires that we begin right here at home in getting our own house in order.

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS REMARKS AT FUNERAL OF ROSA PARKS, 11/2/2005

LOCATION: DETROIT, MICHIGAN

(JOINED IN PROGRESS)

CLINTON: ... join with those who knew and loved Rosa Parks and the countless others who may never have met her but who were inspired by her example.

The country has shown great respect for Rosa Parks in the last days since her death.

(APPLAUSE)

I am grateful for that show of respect, but I will be more grateful if our nation shows by our actions that we understood her sacrifice and commitment to knitting up the wounds and healing the country that she serves.

(APPLAUSE)

We all remember that moment on the bus. But let us think that that was not just an isolated moment to be honored and put on a shelf in the history books. We will dishonor her memory if we do not in our own ways have moments like that in our lives which add up to the continuing transformation of America on its journey to fulfill the promise that we made so long ago: one nation, under God, where all men and women are created equal, and where no person is left behind, overlooked and disrespected any longer.

(APPLAUSE)

As we listened to some great preaching -- and there's more to come -- can't you just see these preachers, some of whom are the best America has ever produced...

(APPLAUSE)

... every one of them could captivate and keep us here until dawn.

(LAUGHTER)

But, you know, when a preacher preaches, it's not just to show you how eloquent he or she is, it is to change our hearts and set us on a new path toward a new life, with new hope.

(APPLAUSE)

We all need to remember that we can have our Rosa Parks moments. Every time we stand up for someone who is being mistreated, every time we turn away from prejudice and bigotry, every time we support those who are on the front lines fighting for our rights, we are part of Rosa Parks and her legacy.

So let us not just honor her with words. Let us pass on her story and her example to all children. Let us remember how hard she worked to vote, and vote in every election that we have a chance to do so.

(APPLAUSE)

And while we're at it, let's make sure every vote counts and every vote is counted.

(APPLAUSE)

And let's not grow weary of doing the Lord's work, which is our work on this Earth. Not all of us will have a moment of courage and conviction that the world will see, but we will know. We will know whether we lived up to the example that this brave woman's life set for us.

And when we do, those quiet Rosa Parks moments will ripple out from each of us and change the world.

This is a moment of reflection and remembrance, but it must also be a time of challenge and call to action.

(APPLAUSE)

Every single one of us can live up to what we know is best in us and best in our nation because 50 years ago we know she did.

So let us think about not just this day, but all the days to follow. And as we do, let us remind each other we, too, can have a Rosa Parks moment.

Thank you and God bless you.

(APPLAUSE)

END

DEMOCRATIC MEMBERS OF CONGRESS HOLD A NEWS CONFERENCE ON FINANCIAL AID FOR 9/11 RESPONDERS, 11/10/2005

CLINTON: Good afternoon.

I want to thank all of our colleagues from the New York delegation for being here. Commissioner Scoppetta is on his way, should be here momentarily, Chief Hayden as well.

But we have a broad cross-section of people who have been fighting for this money -- Pete Gorman of the Uniformed Firefighters Association, Pam Delaney from the New York City Police Foundation, Tom Hart from the Operating Engineers, Suzie Ballantine (ph) from the AFL-CIO, and others who have traveled down to Washington.

We're here today to make sure that the \$125 million slated for New York following the attacks of September 11th remains available for the outstanding and continuing needs that many, many people are facing.

Following the attacks, which claimed over 3,000 lives, as we all know, and caused severe medical and mental health illnesses, the president of the United States told the governor, told the mayor, told this country that we would do whatever it takes to help the people of New York rebuild and recover.

The New York delegation said it would take \$20 billion. The president agreed.

The president and the Congress appropriated \$20 billion. But now bureaucrats in the Office of Management and Budget are trying to take back \$125 million of that money in the president's budget.

They want to go back on the word of the president. They want to undercut the will of this Congress by using budget gimmicks and sleight of hand.

It's not right. And we must not let it happen.

I offered an amendment in the Senate last week that was cosponsored by Senator Schumer. And we worked hard to get it accepted. It restored \$125 million that is rightfully ours in one of the appropriations bills. And that money is meant to be used for the needs that all of us see every single day in our state.

The money would go for purposes that are well-known. First, \$50 million would be provided to the New York State Uninsured Employers Fund for reimbursement of claims related to the attacks and for other claims needed for emergency services personnel who were injured, disabled or died due to the attacks.

CLINTON: Second, \$75 million would be provided for organizations that administer the baseline and follow-up screening, clinical examinations and long-term medical health monitoring analysis and treatment for emergency services personnel and recovery and rescue personnel.

I was very grateful that, in the Senate, Chairman Specter and Senator Harkin worked with us and were very helpful in getting this money restored.

Now, the money was originally designated as emergency spending. And we should not have to find offsets in the budget to pay for this money. You know, some people say: Well, if New York wants \$125 million, then cut \$125 million from somewhere else.

Well, that is a non-starter. This was emergency money with a very specific purpose, promised to us by the president and the Congress.

So we are not asking for new money. We are not asking for money above the \$20 billion that was promised and appropriated for New York.

We are simply asking that this Congress and the administration not take away money that was already appropriated and is so important to meet the needs of people in our state.

We know people continue to suffer. I see them all the time. I meet people on Long Island, in the city, Westchester -- and they'll come up to me and (OFF-MIKE) they'll sound like that. They'll say, (OFF-MIKE) "Hello, Senator."

And Bill and I were together just the other day on Long Island and we know that that's what happens. People can't breathe; they have stress-related problems; they need the continuing medical and mental health tracking, screening and treatment.

So we must not abandon our fellow citizens. They deserve this help; they've earned this help; and the money is for them.

So you have a bipartisan commitment on behalf of the New York delegation to talk with everyone in leadership in both houses, on both sides of the aisle to try to get this done.

And we're calling on the Speaker of the House, the Senate majority leader, the Appropriations Committee leaders in both the House and the Senate, to make sure this money is available for New Yorkers.

Now, I have a lot of people here who want to and need to say something. And we're going to start with Senator Schumer, who has to leave.

Then we'll go to Congresswoman Maloney, Congressman Rangel, Congressman Fossella, Congresswoman Lowey. And then we'll get into our other guests.

Chuck?

SCHUMER: Well, thank you, Hillary. And let me just say that this is basically somebody taking money from New York. This is not new money that we are asking for. This is money we were promised.

We all know that, on the day after 9/11, I told the president we needed \$20 billion. He said yes. And, by and large, the president has stuck with that.

He has let us transfer money from one account to another. He has been supportive of, for instance, we are now, in the Finance Committee, trying to get some of the old tax money, put for \$2 billion into rail transportation.

They've been good on all those things. So you can imagine all of our surprise, chagrin, disappointment when, in the budget document, buried away, was this provision rescinding \$125 million which had already been given us.

SCHUMER: This is not new money. This is not someone being nice to New York. In fact, it's the opposite. It's people taking money away.

And what are they taking the money away from? The people who suffered. The people who suffered on 9/11. The people who came down afterwards, no questions asked, and said, "We're going to help."

This was unanimous in the Congress -- in the House, in the Senate -- that those people should get some help. And to, in the dark of night, snatch it away and now make us do this to get it back is absolutely disgraceful.

Now, we've had luck, as Hillary mentioned, getting Senators Specter and Harkin to help us here. I've spent a long time with Senator Specter on this. I think he understands the need and the appropriateness that we have this money.

And so it is now in the appropriations bill for HHS and Labor and Human Services.

We cannot see in the conference and other procedure that unfortunately has become dark-of-night.

This money -- again, taken out of the Senate bill -- we need to the House to go along with us. And that's why I'm so glad we have a bipartisan delegation from the House here to help us.

(CROSSTALK)

SCHUMER: The whole city delegation.

So that is important. That's why we have such distinguished labor leaders here, because the people they represent, as Hillary outlined, are suffering. And that is why we feel so strongly about this.

This is our money. This is money that was allocated by previous congresses and the White House for a very noble, important purpose. We will not let them take it away from us.

MALONEY: Thank you. Thank you.

I am very proud to stand here with the New York delegation, united like we were after 9/11.

MALONEY: We are united because we know the take-back of \$125 million from sick and injured 9/11 workers is absolutely wrong, and we are not going to let it happen without a fight.

We are united on this. Last night we met as a bipartisan delegation on it for well over a half hour. I just left Sue Kelly in a committee meeting she's chairing. She said go get it back. Jim Walsh called my office today. He's continuing to set up meetings with the leadership. Chairman Regula has talked to the senators and is working very hard.

Everyone says we deserve it, we should be it, the workers need it, and we are dedicated to making it happen. And that is why this group has come down here today.

We know that it is needed for health care, worker's compensation and medical monitoring. And with the hard work of everyone here today, including the absolutely great work of our two senators who got the money restored in the Senate with a unanimous vote, we are inching closer and closer to the finish line.

We are close, but there is much more work that needs to be done, and that is why we are here with a day-long lobbying effort with leaders from the New York City Fire Department, police department, the federal law enforcement officers, the state AFL-CIO, and of course 9/11 responders and doctors from the important monitoring program.

They will make the case for restoring this money, and I confident that as soon as the members and leaders hear their stories about the unmet health needs, we will win, we will save this money for the workers of 9/11.

Members will hear that thousands of people who responded to ground zero are still sick. Many of them have what is called the World Trade Center cough and are suffering from asthma. They will hear that there is no federal money for treatment, that the medical monitoring program that we worked hard to set up will expire in two years, that there is no medical monitoring program for up to 10,000 federal workers who were exposed to toxins at ground zero.

Members will learn that if this money is taken back, it means the absolute immediate end of assistance being paid to volunteers who came from across this country to help, but are now sick and need our help.

When the administration first proposed taking this money away, they argued that they could do it because it was not needed. Absolutely nothing could be further from the truth.

MALONEY: And all you have to do is speak to these officials and these responders to know that this money is needed.

Those workers who risked their lives on 9/11 did not think about the health risk they were exposing themselves to, and now we need to make sure that that money is there. We need to rescue that money so that their health care needs can be taken care of.

So together we are very close to the finish line. We are going to work like the dickens to make sure that this money is restored. It is needed for the workers, volunteers and for the health care of the people who responded on 9/11.

Thank you.

Charlie?

RANGEL: Thank you.

Last night, the entire New York delegation met -- led by Carolyn and Sherwood Boehlert -- to make certain that we let our colleagues in the Congress know that this isn't a New York City/New York state problem; it's a national problem.

And how we react to the tragedy that occurred in New York -- God forbid if it ever happens any place else -- this is an example that's being set.

The whole world, the whole nation remembered what happened to us on September 11th, 2001. We're here to make certain that they don't forget how they treat us -- our other people, our courageous firemen, our policemen, our volunteers, those would believe that God was on their side and the nation was on their side. (inaudible) came across not just for us but for our country, and our president responded.

We're only asking them: Don't forget us in November '05 for what was promised in September '01.

The House of Representatives has been led by Carolyn Maloney and Vito Fossella. There has not been a fight that we have not come together, not as partisans, not as members of New York, but as Americans, in trying to make certain that all America feels assured that their country, their government, their president and their Congress is going to be for them.

And so it's a pleasure that we have Vito Fossella here, that we never have to ask for anything because he's right there with Carolyn making certain that our needs are heard.

So I am glad to present him to you.

Vito Fossella?

FOSSELLA: Thank you Charlie. And thank you to the dean of the delegation.

Let me also thank and commend Senators Clinton and Schumer for fighting so hard in the Senate, and other members, especially Carolyn, but other members of the New York delegation.

And I welcome Commissioner Scoppetta and Chief Hayden and, of course, all the other labor leaders.

FOSSELLA: I think one thing is very, very clear -- and you heard it from the speaker -- is that Americans really don't like people who break their promises. And I don't think, in this instance, that Congress should break its promise to the heroes of 9/11.

The story of 9/11 is still being told. While we continue to look for the rebuilding of the buildings in Ground Zero, we must never forget or lose sight of the fact that there are thousands of lives that are still being rebuilt.

There are those who are still suffering and, sadly, there are those who will suffer not just today or next year, but perhaps decades from now.

As if anybody needs further proof or further study, it is common wisdom that, in too many instances, respiratory problems or mental problems incubate and do not manifest themselves for years.

So when Congress and everybody across this country stood up in the aftermath of September 11th, they said rightly, "We will not turn our backs on the people of New York."

And it's not just the heroes of 9/11 from New York, it's New Jersey and Connecticut and the thousands of volunteers across the country.

So the moral of the story here is America and Congress cannot and should not break its promise. We stand united. It's not Democrats and Republicans today. It's all Americans, the entire New York delegation, to say that promise must be kept.

Thank you.

LOWEY: I, too, want to thank Senator Clinton for taking the lead on this issue in the Senate. And it's been a pleasure for us to work with Carolyn Maloney in the House and my other colleagues.

This is a bipartisan issue. It is not a political issue. And it is a national issue. And I particularly want to thank Commissioners Scoppetta and all the representatives of the workers, the EMS workers, the first responders, the police, the firefighters.

They didn't hesitate when they were called and when they volunteered to go down to the site on 9/11 and weeks after that. They are still suffering from all the symptoms that remain, and we have a moral responsibility -- a national moral responsibility -- to deliver the dollars that are necessary to help them get well.

Promises made, promises kept. In this Congress, we shouldn't be delivering with one hand and taking back with the other hand.

LOWEY: We have a responsibility to make sure that these dollars are treated as emergency dollars.

Serving with Jim Walsh on the committee, as the New Yorkers, working with Ralph Regula, the chairman, and David Obey, the ranking member, my message out there is: Mr. President, you have to call the Congress; you made the promise; you must deliver and you must ensure that these promises that were made by the president of the United States and the leadership on the Senate and the House are kept.

Promises that were made must be kept.

CLINTON: Thank you.

Jerry?

NADLER: Thank you very much, Hillary.

After 9/11, the president of the United States was photographed with an iconic photo, with firefighters, a couple of days after 9/11.

And we all started talking about the heroes of 9/11, the firefighters, the police officers, the sanitation workers, the volunteers from all over who came in to help.

And yet, this country has betrayed, repeatedly betrayed, all the heroes of 9/11 and the aftermath.

We've betrayed them first: City, state and federal government betrayed them by permitting them to work on the pile for 40 and 50 days without proper respiratory protection, without proper environmental protection.

The result is that over half, more than half of all the people who worked there by now have so far come down with serious respiratory ailments, with serious respiratory diseases.

Second betrayal: We have not provided any funding for their medical treatment. Many of these people have lost their jobs. Because of their injury, they cannot continue to work. And they've lost their medical benefits. And we have not provided anything for that.

Third betrayal: The worker's comp applications are being controverted. They're contested by the insurance carriers at a rate of five to 10 times the normal rate of controversy and our various regulatory agencies have let that occur.

And now the fourth betrayal is, we have funds for medical monitoring but only for another two years and then it expires.

And now some people want to do a fifth betrayal, that we should betray the workers, betray the heroes of 9/11 by taking these funds for worker's comp and for assisting the workers away from New York so that they will have even less assistance.

That's wrong. I want to commend Senators Clinton and Schumer for the wonderful work they've done in the Senate on trying to reverse this and Carolyn and Vito and Nita and Charlie and others in the delegation, who've worked tirelessly to change this at this level.

Congressman Regula, the chairman of the committee, has been very good in trying to get this money back, but, as Nita put it at the delegation meeting last night, it's probably above

his pay-grade and the real person at issue here now is the Speaker of the House, Denny Hastert.

And we hope that the pressure will be on him to do the right thing, to instruct the conferees from the House to go along with the Senate and to remove -- or restore, I should say -- restore the emergency designation.

We've betrayed these people enough. We should restore these funds, not demand an offset for them.

And then we should get onto the business of making sure that the monitoring funds are there in perpetuity and that health care funds are provided.

Thank you very much.

CLINTON: Thank you. Thanks to all of our colleagues in the House who are working so hard on this.

We've been joined by Commissioner Scoppetta and Chief of Department Hayden. I'd like each of them to address this.

They are here today to go to the leadership of the Congress to speak with them, to make the case as they see it. And we're very, very grateful that they would take time out of such stressful and busy schedules to be here and make this case.

CLINTON: Commissioner?

SCOPPETTA: Well thank you, Senator Clinton -- and our thanks to Senator Schumer -- for the work they did in the Senate and the entire New York delegation, with Carolyn Maloney in the House.

It's really very straightforward. By now the whole world knows that, in the space of less than two hours, 343 firefighters were killed, and 27 police officers, when those towers came down.

What a lot of people may not know is that thousands -- literally, thousands -- of firefighters, EMS and police are affected with a variety of illnesses as a result of the work they did for months at the World Trade Center site; first trying to rescue people caught in the debris and then trying to recover remains.

And that went on for about six months.

And we have had 13,000 firefighters who have, in one form or another, had to receive some medical treatment. Happily, many of them were able to continue with the work and go back to full duty.

But literally thousands have left the department, and many of them are without the assistance they need and we're without the information we need to be able to track them.

And so a part of this funding is so that we can be able to provide the kind of medical treatment that they need down the road.

Just one final point: Many of these ailments are the kinds of illnesses -- respiratory, stress, the kind of psychological counseling they needed -- that simply didn't make itself felt in the immediate aftermath of 9/11.

And all of these ailments now are making themselves felt. And it's the same experience that Oklahoma City found that, years after the event, they needed the kind of counseling and treatment that would restore them to a full and useful life.

SCOPPETTA: So this money was in the budget and it wasn't spent in 2002 for a variety of reasons that are explainable and extremely plausible. What we're asking is that it be restored to the budget as emergency funds, just the way they were initially.

I'd like you to hear from Chief Hayden, our chief of the department, who was in the north tower on 9/11; was the incident commander for months thereafter; and he can tell you about how badly we need these funds.

Pete?

HAYDEN: Thank you.

Well, I guess I offer a unique perspective. I was working on 9/11. I was in command of the operations in the north tower on 9/11. I was in the lobby of the north tower when the south tower collapsed.

And I was out on West Street when the north tower collapsed and the Marriott Hotel collapsed and, later on that day, when the second World Trade Center collapsed.

I can tell you first-hand the conditions that existed that day and the terrible dust conditions. And for many months afterward, I worked down there, directing the recovery operations.

For months afterward, we had fires burning in the pile and surrounding buildings in the immediate aftermath. The fires, the smoke conditions that existed, the environmental conditions that existed took a tremendous effect on our firefighters.

We've had a five-fold increase in the amount of people with respiratory problems in the department. We've had about 450 firefighters forced to retire since 9/11 with respiratory problems.

These are problems that do not solve themselves. They are continuing problems. I know firsthand, well, a number of men who have been forced to retire, whose conditions are declining and getting worse.

We've had three-fold increase in the number of firefighters after 9/11 seeking counseling. That was a difficult operation on that day. The FDNY suffered a terrible wound. That wound is still open. It's not healed. It's going to take a long time.

The firefighters, the police officers, the EMTs, the federal law enforcement authorities that worked down there on 9/11 and for the many months afterward did the right thing. We expect that the right thing will be done for them today.

CLINTON: Thank you so much. Beautiful.

END

“On the Record with Greta Van Susteren,” FOX, 12/19/2005

KENDALL: Tonight, it has been nearly four months since Hurricane Katrina slammed the Gulf Coast. Huge improvements have been made since the devastating hurricane but there is still much more to be done.

Over the weekend, Greta caught up with Senator Hillary Clinton in New Orleans.

(BEGIN VIDEOTAPE)

GRETA VAN SUSTEREN, HOST: Where do we come up with these numbers like \$3 billion and \$2 billion? I mean I hear these horrendous numbers and maybe they're needed but who's figuring these out, I mean any idea?

SEN. HILLARY **CLINTON** (D), NEW YORK: Well, you know, when the emergency money was appropriated after the hurricanes it was a very broad best guess about what was needed and similarly after 9/11, you know. We appropriated \$40 billion, approximately 20 for the war and for other needs that our military and homeland security had, 20 for New York and Virginia, The Pentagon, et cetera, to be rebuilt. Well, we appropriated that money based on our best information at the time. Then we reallocated within it.

VAN SUSTEREN: So it's a little bit of a guess. I mean I hate to use that word guess but guesswork as we go is that how we do this money thing?

CLINTON: No, it is an assessment of what we think we'll need but you appropriate a large amount of money. A lot of the money, for example, in the Katrina emergency went to FEMA.

Well, frankly FEMA has not been the best steward of the money and not been very swift in getting the money out and has, you know, a federal judge here in New Orleans just a couple weeks ago said that their, you know, actions have been erratic and eccentric and bizarre and everything else.

They just haven't really fulfilled the public trust they were given. So, what Mary Landrieu and others have been arguing is take some of that money that is in the pot already, it's already been appropriated and shift it over to what are called community development block grants, so that you can get the garbage picked up. You can get the police and fire departments back up.

We were just at that church, the Queen Mary of Vietnam Catholic Church. They want to put trailers across the street so that their parishioners can actually live there and the church can be the center of rebuilding. I think that's a great idea.

Well, they don't have police protection yet, so getting the money into the right pocket and then holding everybody accountable and having good accounting so that we really watch every dollar as it's spent is what we should be doing.

VAN SUSTEREN: I think most Americans are a little suspicious though. I mean we're a very generous country but, you know, when we dish out money we don't know where it goes. I mean we're not sure we're getting a bang for our buck.

CLINTON: Well, I understand that, you know. Look, I was raised by a father who didn't believe in credit cards and the whole nine yards. I consider myself in that category and I think that's why you need to have good systems in place to start with.

I mean look I was heartbroken when I saw how dysfunctional FEMA had become. It worked during the Clinton administration. James Lee Witt and the team that he brought in they were on top of it. They responded. They knew how to...

VAN SUSTEREN: They didn't have Katrina though and 9/11.

CLINTON: No, but they had earthquakes. They had the, you know, huge flood in the Middle West. They had lots of natural disasters. But these are unprecedented so even more you need to be fully prepared and up to speed and have the best people, not the cronies but the experts in charge.

This administration I think has learned that lesson a little bit late and we paid a big price for it, so I don't blame any American sitting, you know, in New York, California, anywhere else saying hey I want to make sure the money goes to the right place.

That too is a federal government responsibility. There should be an inspector general. There should be really strict accounting. I've called for the same thing with Iraq. Look at the money we've wasted in Iraq. I mean look at the money that we've given in no bid contracts that we can't even find where it went. They've wasted billions of dollars. It is wrong.

And, for me, it is just an example of a failure to, you know, run a government competently, whether it's, you know, spending money in Iraq or failing to spend it here in New Orleans and along the Gulf Coast.

We can do better. America can do better. We've done better in the past and I think we should get back to doing better and we should expect everybody in public office to live up to that standard.

(END VIDEOTAPE)

KENDALL: Coming up, this pregnant woman vanished last month after her husband ditched her in the freezing cold on the side of a rural road. Tonight, her situation has changed from a missing person's case to a criminal investigation. We'll tell you why.

"Good Morning America," ABC, 1/10/2006

DIANE SAWYER (ABC NEWS)

(Voiceover) And this morning New York Senator Hilary Rodham Clinton joins us. She has called for an investigation in all this, and she's at her home in Chappaqua, New York. Thank you, Senator Clinton, for being with us this morning. I want to get right to it.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT

Morning.

GRAPHICS: BODY ARMOR: STILL ON THE CASE

GRAPHICS: WHY AREN'T TROOPS MORE PROTECTED?

DIANE SAWYER (ABC NEWS)

(Off-camera) Because you have called on the Pentagon to make the additional armor available expeditiously. Have you gotten any reaction from the Pentagon?

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT

Well, Diane, this is the last of many requests that not only I, but a number of my colleagues in the Congress, parents, soldiers and Marines and others have made on their own behalf over the last, now, nearly three years. And it just is heartbreaking to me that, once again, we have a study that looked at the wounds that Marines suffered and concluded, as you rightly said, that we, perhaps, could have avoided so many of these fatalities with the right body armor. The problem is that we have not provided that body armor in a timely way. We have not given many of our soldiers and Marines the protection that they need. And it is just unforgivable and unacceptable. So, we're looking for answers, and I hope that finally we will get them.

DIANE SAWYER (ABC NEWS)

(Off-camera) The Army has issued a statement, the Department of Defense has issued a statement. They have both said roughly the same thing, that they continue to develop improvements to soldier protection equipment, but they also add 'they won't discuss these issues in public because it might render insight to the enemy and aid the enemy in some way.' Does this aid the enemy to discuss this publicly?

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT

Of course not. In fact, this has been discussed publicly for nearly three years. We've had numerous investigations. We've had parents contacting my office as well as many others, asking for advice and help. We've had parents going online. We passed legislation, Diane, that the Pentagon yet has to enforce where we said pay back the parents, the spouses, the members of the military themselves who've actually gone out and bought their own body armor. You know, it is our duty to protect our men and women in uniform. They're over there protecting us, protecting our interests. They've been sent there by our president. The very

least we can do is to give them the option of having the very best body armor and armored vehicles to make sure that while they're harm's way they can be as safe as possible.

DIANE SAWYER (ABC NEWS)

(Voiceover) Another issue that's been raised, the cost. Is the cost prohibitive for 130,000 troops?

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT

You know, we spend, between regular appropriations and special so-called emergency supplementals, nearly a half a trillion dollars on defense right now. And it costs about \$260 to provide the additional parts that are needed to protect the sides of our soldiers, Marines and others. And, you know, I don't think you can put any kind of price tag on the life of one of our men or women in the military. So, of course not. It is completely affordable within the enormous amount of money that we are spending right now.

DIANE SAWYER (ABC NEWS)

(Off-camera) The head of the Democratic National Committee, Howard Dean, has said that, that secretary of defense Rumsfeld should resign, and he cited this specifically. I'm gonna play a clip of what he said.

HOWARD DEAN (DEMOCRATIC NATIONAL COMMITTEE CHAIRMAN)

They were requested that from the field, the Pentagon refused. You know, I, two years ago I thought Secretary Rumsfeld ought to resign. He ought to resign.

DIANE SAWYER (ABC NEWS)

(Off-camera) Do you agree?

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT

You know, Diane, this is the Bush/Cheney policy. It's up to the president who he has enforcing his policy. There's been a tremendous amount of criticism, well justified, of this policy and how it's been implemented. I've been one of the leading critics over the last several years pointing out all of the failures, the incompetence that has gone into this. You know, one of the president's own appointees, Mr. Bremmer, has recently said that he, along with many of us led by General Shinseki, then the Army Chief of Staff, said there were not enough troops to stabilize Iraq after the invasion was completed. You know, I am just bewildered as to how this president and vice president continue to isolate themselves from different points of view. They have these meetings where they're 'show-and-tell' meetings, they don't really listen, but now we find out they don't even listen to people that they send over there like Mr. Bremmer. So, the real buck stops at the top, and it's the president's policy. You know, he's got three more years in office. Some of us wish that weren't the case, but it is under our Constitution. And it's up to him to make this right. And of all the issues that he should be focused on, it is providing appropriate protection to our men and women in uniform. You know, the president speaks out strongly, and even harshly from time to time, about issues that he thinks are important. Let's hear him speak out about protecting the men and women who wear the uniform of our country.

DIANE SAWYER (ABC NEWS)

(Off-camera) Senator, thank you again for joining us this morning. And as we have said to our viewers over and over again, we're not finished. We will stay on this case. Robin?

NEWS CONFERENCE WITH SENATOR JOHN D. ROCKEFELLER (D-WV); SENATOR HILLARY RODHAM CLINTON (D-NY); SENATOR FRANK LAUTENBERG (D-NJ); SENATOR CHARLES SCHUMER (D-NY); SENATOR DEBBIE STABENOW (D-MI), 1/19/2005

TOPIC: CHANGES TO THE MEDICARE PRESCRIPTION DRUG PRO-GRAM LOCATION: SENATE RADIO/TV GALLERY, THE CAPITOL, WASHINGTON, D.C.

SEN. **CLINTON:** This bill and the way it's being implemented is a perfect example of what the culture of corruption and cronyism means to the average American.

Now, sometimes the problems here in Washington seem to be far removed from the everyday concerns of people going about their business around our country. But this bill, designed to shovel billions of dollars into the coffers of the pharmaceutical industry and the insurance companies, is an absolute first-class piece of evidence about how the Republicans have been doing their business and not the business of America.

This was foreseen. Senator Rockefeller has been an expert on Medicare and Medicaid for years. He sounded the alarm time and time again in the Finance Committee and on the floor of the Senate. We joined, several of us, with him in making the argument that the way this plan was being designed was guaranteed to cost more than it should have, to set up millions of elderly Americans and Americans with disabilities for a rude awakening, and that you could even argue, as I have, that this prescription drug benefit, as designed and implemented by the Republicans, will lead to the deterioration of Medicare across the board.

Obviously, I did not support this bill. I thought it was a mistake and a giveaway. It was appalling that people in the government who were in the room negotiating it withheld information, and at the same time were negotiating for themselves to go to work for the very industries that would be benefitted by the massive redistribution of money from the taxpayers to those companies.

But once it passed, I, like my colleagues, have worked to make sure that we could educate our constituents, and try to sound the alarm about the implementation. I've written several letters, as I know others have, to CMS. Senator Rockefeller and I introduced legislation back in December. I put out this booklet -- "Introduction to Medicare Part D" -- and did hearings around my state trying to help not only beneficiaries, but their families, their physicians, their pharmacists understand what was going to happen as of January 1st.

Last week I was in a pharmacy in New York City, and I went there because it was a typical pharmacy where the pharmacist had been trying to meet the needs of his customers.

And there were a group of other pharmacists who'd come from around New York City and the suburbs to join with us in making the point that customers were coming in and, when presented with their bill as to what they owed, turning around and walking out without their medication. They were coming in not knowing what plan they had been enrolled in automatically without any consultation with them.

And when the pharmacist tried to find information for them by calling the help lines, calling the Medicare help line, calling the individual plan help line, oftentimes there was no answer. The efforts went on for hours. And at the end, if they got someone, often that person could not give them good information. And to add insult to injury, the pharmacists were told they would be charged for trying to help their customers.

So I introduced legislation to reimburse the pharmacists, who have been on the front line, trying to make an unworkable system understandable and work to the best of our ability.

At the pharmacy, there was a representative from CMS, who said he'd come down to understand what was going on. I said, "Well, I'm glad you're here, and I hope you'll not only listen carefully but take back to Washington what's happening in this pharmacy, because it's being duplicated across the country."

And after that, I had a press conference call -- some of you were on it -- with the representative of the pharmacy industry in New York, who had scores of stories to tell about what was happening in the implementation.

So I was pleased when Senator Rockefeller's comprehensive bill was introduced, including my legislation to reimburse pharmacies. And I think that we'll all join with the other legislation to reimburse states, because states have had to step in and fill the gap.

This is a serious national challenge. We held out this promise of prescription drug coverage. We did it in a way that undermined from the very beginning the possibility that it would work for the people who need it the most. SENATE DEMOCRATS-MEDICARE DRUGS PAGE 18
01/19/2002 .STX

We spent billions of dollars essentially enticing insurance companies and pharmacy benefit managers and others to come into the system. We have no guarantee that the ones in today will be in next year at this time. We have no guarantee that the drugs that appear on the formulary list will be on the list in a month or two or three. We have created confusion and complexity, and we have added billions of dollars of unnecessary costs.

You know, I can't help but compare what's happening now with Katrina. You know, Katrina was a natural disaster. The government's response was inept, incompetent and dangerous. The implementation of the Medicare Part D prescription drug benefit is a man-made disaster. The planning and implementation were not done to the level that should have been expected. And the result is that we see the same ineptitude, incompetence and very real danger to Americans.

So I hope that the administration and our friends on the other side of the aisle will join with us in passing comprehensive reform and getting back on the right track and providing the drugs that so many of our fellow Americans need.

SEN. ROCKEFELLER: Let me make one quick comment and then we'll be glad to take questions. Chuck Schumer may be offended by what I'm about to say, but I don't think so. But I am.

We've been talking on the edges about neglect of vulnerable people of the Republican plan, of inattention, and giveaways to pharmacies. What I keep thinking is, when Patty Murray brought up on the floor of the United States Senate, after it had been defeated in the Finance Committee on a party-line vote, when she brought that up on the floor of the United States Senate to provide to dual eligibles the same six-month transition that all other Medicare beneficiaries -- who were above them financially, so to speak -- were getting, it lost. It got not one single Republican vote, and thus failed.

Be happy to answer questions.

Q Senator Rockefeller, can you tell me what reaction you've gotten, if any, from the White House about this, and particularly to the point of trying to get the money to reimburse the states? Jan 19, 2006 15:08 ET .EOF

SEN. ROCKEFELLER: No, I don't know what they -- I've talked a little bit with Leavitt about it. I talked last year with the president about it. He'd given a speech to the Illinois Medical Society in which he had twice promised to make sure that dual eligibles received exactly the same care and attention in any legislation on prescription drugs that Medicare beneficiaries got. He said that wasn't true, and I sent him off of his own website his speech.

Now, are we getting help from down there? No. I think what this is, frankly, coming down to is a matter of the chaos that we predicted, the shame that we feel as having been even a part -- although opposed to all this, a part of this; the anger of the American people; and the embarrassment of the Republican Party for what they've done, that they will take up this legislation and make things better.

Q Senator Rockefeller, Senator Grassley, in the last couple of hours, said that it would be premature to take up legislation --

SEN. ROCKEFELLER: It's always premature, isn't it? (Laughter.) It's always premature. It was premature that the Titanic went down, but it did indeed disappear.

SEN. STABENOW (?): Right. That's a good point. That was good.

SEN. ROCKEFELLER: You like that --

SEN. STABENOW (?): Yeah.

SEN. ROCKEFELLER: -- sound bite? (Laughter.) You got that?

SEN. STABENOW (?): (You ?) can quote him on that!

Q How are you going to convince him that the time has come that you actually --

SEN. ROCKEFELLER: By what we're doing today, and by the fact that I'm absolutely confident that all of our offices are being swamped -- as is mine -- by disgruntled people from all over the country. You know, the phone -- you know, Debbie Stabenow is wildly popular, so of course you can't get -- talk to her phone line, so they have to stoop to calling somebody like me -- (laughter) -- but they'll do that because they're that desperate.

And you know, I think it's -- I can remember going around for two years or a year before. I took the legislation with me. It was a thousand something and 38 pages long, and I had -- I found it very helpful because I said these are all the reasons you're going to have problems in meetings with seniors. They'd read the language, and the language said to them or to me nothing. It was legislative language that was unrelated to something which they could grasp onto either with happiness or with anger. And in all cases sometimes that was delivered because it was just -- people were slipping by the point.

People have had a shotty experience in the one thing in their life they cannot fool around with and that is their health, and people are suffering because of it. And the Congress on a bipartisan basis needs to re-address this, and if both political parties don't come to understand what's going on in America and react to it, shame on us all.

SEN. SCHUMER: And by the way, this is happening -- it's not just in blue states but in red states. The amount of money that the states are paying. The 25 states that are already agreeing, a good number of them are red states, a good number of them have Republican governors. In my state alone, in one week it's cost the state \$17 million. Governor Schwarzenegger estimates it's costing him \$70 million.

So we believe that there's going to be a bipartisan cry for this that's going to sort of roll over any opposition.

SEN. STABENOW: I might just add in the sense of emergency that pharmacists are being told now to provide an emergency 30-day prescription in order to be able to allow people a 30-day supply while it's worked out. We're now in the middle of January. What happens on February 1 if nothing has happened? I mean, there is an incredible sense of urgency that we need to have about what is happening. And I would suggest -- you don't have to walk very far, you can walk a few blocks down the street from this building and talk to pharmacists who will give you the very same kind of story about what is happening as we are hearing at home.

Q Senator Stabenow?

SEN. STABENOW: Yes?

Q You've talked about going in -- back into Part D and writing -- having a new bill or a new program under that. Can you tell us a little bit more about that? And do you really think there's an appetite for going back into Medicare law?

SEN. STABENOW: Well, I believe, and we offered on the Senate floor the option of individuals choosing this private process or just going straight to Medicare for a Part D.

We have Part B right now. There's the A -- there's the trust fund, where you get your inpatient care and so on in the hospital and so on. Then you can sign up for Part B if you want doctor visits, other kinds of services covered. You pay a premium, a co-pay. The same

thing should be available under Part D, including help for low-income seniors and the disabled. It's straightforward. If we allow Medicare, in fact, to negotiate group prices -- we have seen studies that show that famous doughnut hole could be completely covered, so that we would have a comprehensive system that is available for everybody. It would be optional. People have a right. That's what they want. People keep saying to me, "Well, why can't I just sign up for a Part B?" You know, we talk about giving them choices? The one choice they don't have under this plan is the choice they want. So I think we ought to give them that choice.

Q Regarding the proposal to reimburse states for these emergency drug claims, would those funds be deducted from the drug plans, since presumably they're supposed to be paying?

SEN. ROCKEFELLER: They would be paid for for the most part by the drug -- by the plans themselves, the plans themselves. And, you know, when you get down to that 1-800 number question -- I would assume that would be a CMS expense -- but the plans would reimburse the pharmacist with, you know, all that kind of thing.

I mean, there are people -- I said this once, but I got to say it again -- there are a lot dual eligibles who are paying co-payments, deductibles, co-insurance -- they shouldn't be paying it at all. So they're either, as I guess Debbie said, walking away or some of them may be paying it, and they have to be reimbursed. Who reimburses them? The plan.

Q Would the federal government reimburse them first, and then --

SEN. ROCKEFELLER: It's -- look, I -- Chuck said it pretty correctly. We've got asbestos coming up. There's a tendency around here that I would be glad to explain, but probably wouldn't do so very politely, to take any piece of legislation which really has significance to the country as a whole and push it off, and let's just get -- since this is an election year in particular -- let's get a whole bunch of wedge issues lined up. And frankly, that's what we're fighting about, I think.

Q You've got millions of people signing up for individual plans, private plans already. Is it your sense that the structure of this Medicare law is here to stay and you're going to have to work around it?

SEN. ROCKEFELLER: No, I don't -- I don't think it is here to stay. And I -- you know, I mean, I saw Mike Leavitt on television the other day and he was saying, well, we've made some mistakes on this. He said it's getting better every day -- five times. But the fact that he understood that there were some flaws -- he said there are some people falling through the cracks -- yeah, we're going to have to come back to this thing, and I think it's almost inevitable. And you could say that on a social experiment in health care that is so large and so significant, I mean, you know, the 6.4 million nationally -- I think of it in terms of 300,000 in West Virginia, and that's about as many as there are veterans or senior citizens. I mean, it's a huge number. I think we will come back to this. I think there will be pressure. I think there's tremendous anger out there, and it's now -- it's building even as we speak, and will continue to build until the problem is solved.

SEN. **CLINTON**: Could I just add --

SEN. SCHUMER: My view is -- go ahead.

SEN. **CLINTON**: I just wanted to add, because Jay has these numbers, and I think that they're important to stress because the administration is going around talking about 24 million beneficiaries enrolled. They are counting retiree coverage, they are counting Medicare Advantage, they are counting TRICARE and federal employee health benefit retirees. So they are counting people who are not voluntarily signing up for this new program in some plan that has been given billions of dollars to try to entice them to sign up.

SEN. SCHUMER: They're counting all the people who were --

SEN. **CLINTON**: They're counting everybody who was already getting retiree healthcare benefits.

SEN. SCHUMER: And the people who were randomly just given a plan; they didn't pick anything, they didn't have a choice.

I'd just say one other point in relation to your question. My view is that the plan that was passed ought to be ripped up and we ought to start all over. But that's in the longer run.

In the short run, we have to help people who are suffering right now who are either not getting their medications, cutting back on their medications, or cutting back on food or heat or something else so they can take their medications.

So to think that the fix that we're talking about solves the fundamental deep-rooted problems in the bill that was passed -- no.

And whether this Congress will do it or we have to have a new Congress to do it, we will get it done.

And just one other thing I would say. Make no mistake about it; this is going to be a large issue in the 2006 elections. Make no mistake about that, either.

FORMER PRESIDENT WILLIAM J. CLINTON AND U.S. SENATOR HIL-LARY CLINTON (D-NY) DELIVER REMARKS AT FUNERAL FOR CORETTA SCOTT KING, 2/7/2006

LOCATION: LITHONIA, GEORGIA

FORMER PRESIDENT **CLINTON** AND SENATOR **CLINTON** DELIVER

REMARKS AT FUNERAL OF CORETTA SCOTT KING, LITHONIA, GEORGIA

FEBRUARY 7, 2006

SPEAKERS: WILLIAM J. **CLINTON**, FORMER PRESIDENT OF THE UNITED STATES

U.S. SENATOR HILLARY **CLINTON** (D-NY)

B. **CLINTON**: I thank you for that wonderful reception. You might not feel like repeating it after you hear what I've got to say.

(LAUGHTER)

Bishop, President and Mrs. Bush, Yolanda, Martin, Dexter, Rev...

(LAUGHTER)

... we are honored to be here.

I'm honored to be here with my president and my former presidents.

(APPLAUSE)

When President Bush 41 complained that he was at a disadvantage because he was an Episcopalian...

(LAUGHTER)

... then he came up here and zinged Joe Lowery, like he did...

(LAUGHTER)

... I thought that ain't bad for one of the frozen chosen. He's done a pretty good job.

(LAUGHTER)

(APPLAUSE)

We've had a wonderful time running around the world doing good together. And I thank the president for giving us a chance to do it.

Let me say a couple things briefly and then ask Hillary to join in these remarks.

I don't want us to forget that there's a woman in there...

(APPLAUSE)

... not a symbol -- not a symbol -- a real woman who lived and breathed and got angry and got hurt and had dreams and disappointments. And I don't want us to forget that.

You know, I'm sitting here thinking, I wish I knew what her kids were thinking about now. I wonder if they were thinking about what I was thinking about at my mother's funeral. Said all this grand stuff.

I wonder if they're thinking about when she used to read books to them, or when she told them Bible stories, or what she said to them when their daddy got killed.

We're here to honor a person.

Fifty-four years ago, her about-to-be husband said that he was looking for a woman with character, intelligence, personality and beauty, and she sure fit the bill.

(APPLAUSE)

And I have to say, when she was over 75, I thought she still fit the bill pretty good with all those categories.

(APPLAUSE)

But I think that's important.

This is a woman, as well as a symbol, as well as the embodiment of her husband's legacy and the developer of her own.

The second point I want to make is the most important day in her life for everyone of us here at this moment in this church except when she embraced her faith, the next most important day was April 5, 1968, the day after her husband was killed. She had to decide, "What am I going to do with the rest of my life?"

We would have all forgiven her, even honored her if she said, "I have stumbled on enough stony roads. I have been beaten by enough bitter rods. I have endured enough dangers, toils and snares. I'm going home and raising my kids. I wish you all well."

(APPLAUSE)

None of us, nobody could have condemned that decision. But instead, she went to Memphis -- the scene of the worst nightmare of her life -- and led that march for those poor hard-working garbage workers that her husband...

(APPLAUSE)

Now, that's the most important thing for us.

Because what really matters if you believe all this stuff we've been saying is what are we going to do with the rest of our lives?

(APPLAUSE)

So her children, they know they've got to carry the legacy of their father and their mother now. We all clap for that; they've got to go home and live with it. That's a terrible burden.

(APPLAUSE)

That is a terrible burden. You should pray for them and support them and help them. That is a burden to bear. It's a lot harder to be them than it was for us to be us growing up. Don't you think it wasn't. It may have been a glory, it may have been wonderful, but it's not easy.

So what will happen to the legacy of Martin Luther King and Coretta King? Will it continue to stand for peace and nonviolence and anti-poverty and civil rights and human rights?

What will be the meaning of the King holiday every year?

And even more important, Atlanta, what's your responsibility for the future of the King Center?

(APPLAUSE)

What are you going to do to make sure that this thing goes on?

(APPLAUSE)

I read in the newspaper today, I read in the newspaper coming down here that there's more rich black folks in this county than anyone in America except Montgomery County, Maryland.

(APPLAUSE)

What are we going to do?

This is the first day of the rest of our lives. And we haven't finished our long journey home.

The one thing I always admired about Dr. King and about Coretta when I got to know her, especially, is how they embraced causes that were almost surely lost right alongside causes that they knew if they worked at hard enough, they could actually win.

They understood that the difficulty of success does not relieve one of the obligation to try. So all of us have to remember that.

What are we going to do with the rest of our lives? You want to treat our friend Coretta like a role model? Then model her behavior.

(APPLAUSE)

And you know we're always going to have our political differences. We're always going to have things we can do.

And this has been, I must say, a brilliantly executed and enormously both moving and entertaining moment.

But we're in the house of the Lord.

(APPLAUSE)

And most of us are too afraid to live the lives we ought to live because we have forgotten the promise that was made to Martin Luther King, to Coretta Scott King and to all of us, most beautifully for me stated in Isaiah.

"Fear not, I have redeemed thee."

(APPLAUSE)

"I have called thee by thy name. Thou art mine."

We don't have to be afraid. We can follow in her steps. We can honor Dr. King's sacrifice. We can help his children fulfill their legacy.

Everybody who believes that the promise of America is for every American, everybody who believes that all people in the world are caught up in what he so eloquently called the inescapable web of mutuality, everyone of us in a way are all the children of Martin Luther and Coretta Scott King. And I for one am grateful for her life and her friendship.

Thank you.

(APPLAUSE)

H. **CLINTON:** As we are called, each of us must decide whether to answer that call by saying send me.

And when I think of Coretta Scott King, I think of a woman who lived out her calling. She lived her life as an extension of her faith and conviction.

Now, when she met this young divinity student, and he told her what Bill has just reminded us, and proclaimed that he was looking for a woman like her to be his wife, I can imagine that she thought for a minute, "What am I getting myself into?"

(LAUGHTER)

And, in fact, she waited six months to give him an answer because she had to have known in her heart that she wasn't just marrying a young man, but she was bringing her calling to be joined with his.

As they began their marriage and their partnership, it could not have been easy. Because there they were, young, becoming parents, starting their ministry at a moment in history that they were called to lead.

Leadership is something that many who are called refuse to accept. But Martin and Coretta knew they had no choice, and they lived their faith and their conviction.

H. **CLINTON:** I think of those nights when she was putting the children to bed and worrying about the violence, worrying about the threats, worrying even about the bombs -- and knowing that she couldn't show any of the natural fear that any of us would feel.

The pressure that must have been for her -- and she would turn to the Lord, who would answer her call for support by reminding her of her redemption.

When she went to Memphis, after her husband was killed, I remember as a college student listening in amazement to the news reports of this woman taking up her husband's struggle on behalf of the dispossessed.

She said then -- and she lived for the rest of her life in fulfillment -- that she was there to continue his work to make all people truly free -- not just free from the obvious shackles, not just free from the legal segregation, not just free from the oppression that one can see, but truly free inside, knowing that each of us has a personal relationship with God that can take us through any darkness.

(APPLAUSE)

As we gather here to celebrate her life and mourn her passing, we do have to answer the question as to whether we would say, "Send me."

She has passed, but we must take up her burden.

We'll have to split it up, because it was a heavy burden to bear.

But together, we can carry it. We can carry on the struggle against racism and discrimination. We can carry on the fight to make sure all children know they are created equal in the sight of God.

We know...

(APPLAUSE)

... that the work of peace never ends.

So we bid her earthly presence farewell. We wish her godspeed on her homecoming. And we ask ourselves: Will we say, when the call comes, "Send me"?

I know what she would want our answer to be today.

God bless you, Coretta Scott King.

(APPLAUSE)

END

DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS CONFERENCE ON HURRICANE KATRINA, 2/14/2006

CLINTON: Thank you all very much for being here this afternoon.

I know well a place called Hope. Hope, Arkansas. Hope, Arkansas, has a fabulous World War II airport that has a broad, very well-constructed runway and tarmac.

And sitting at the Hope, Arkansas, airport are 10,000 FEMA trailers. And they're beginning to deteriorate. They are sitting there while people are being evicted from their hotels, while they're still looking for housing, and while they are being neglected by their government.

What are we to think of this? Well, it's not too much of a stretch to say that we're leaving the people along our Gulf Coast without help and without hope.

And we know there is a lot of work to do, and many of us have stood ready to assist our colleagues, particularly Senator Landrieu and other members of the Louisiana delegation, to get answers as to what went wrong, to make sure that people were held accountable, and to ensure that what went wrong during Katrina doesn't go wrong again in the face of natural or manmade disaster.

CLINTON: We've stood ready to provide financial assistance, to help rebuild, but certainly to get people housing and their basic necessities cared for.

The president introduced his budget last Monday after delivering the State of the Union a few days before, and it was remarkable how little attention was paid either in the speech or in the budget to the needs of the people along the Gulf Coast.

His message to the people of this country, particularly to those who have suffered the worst natural disaster in our nation's history, is you're on your own.

Thousands are still displaced. There's a stagnation of rebuilding. There's no certainty about what will happen in the impacted areas, particularly in New Orleans and in the surrounding parishes.

But we're here to say to the people along the Gulf Coast, you are not on your own.

We've seen the initial reports of the House of Representatives' investigation into what went wrong with the planning and response to Hurricane Katrina, and the findings are clear.

There was a colossal failure of leadership within the White House, the Department of Homeland Security and FEMA.

The conclusion is inescapable. The president, his senior staff, his Cabinet and other officials in his government were a major reason why we had a failed response to the distress caused by Katrina.

We're now starting to get a litany of all the things that went wrong, both the things that were not done and the things that were done but done in an incorrect manner.

We are also still hearing reports that the White House continues to stonewall ongoing investigations. It is withholding documents, testimony and information that this nation deserves in order to better protect our citizens.

I support the Senate Homeland Security and Government Affairs Committee's ongoing investigation. And Secretary Chertoff will be testifying before them tomorrow.

But based on the track record thus far, it is fair to conclude that the stonewalling will continue.

Now, FEMA, which was a model agency during the Clinton administration, has been pushed into this large bureaucracy within the Department of Homeland Security.

So I have two proposals that I'm joined in by several of my colleagues, including Senator Salazar, that we believe should be enacted immediately to address the continuing problems we face.

CLINTON: Last September, I proposed creating the Katrina commission, modeled after the 9/11 Commission, which would take an independent, thorough look at what went wrong and identify problems we need to fix so that this nation is never unprepared again in the event of a cataclysmic disaster.

The Republican leadership in Congress continues to block the creation of an independent commission. It's the same thing they did with the 9/11 Commission. But we eventually were able to pass it because it became abundantly clear that the investigations that were going on would go so far and no further.

That was unacceptable then; it is unacceptable now.

Second, I introduced a bill to return FEMA to an independent, Cabinet-level agency that would report directly to the president of the United States. And the director of FEMA should have the emergency services planning and response training needed to carry out those functions effectively.

It is clear that former FEMA Director Brown, Secretary Chertoff, the president, no one in this administration was able to tell the American people who was in charge as the waters rose.

I visited many of the evacuees in Houston immediately after the hurricane struck, along with my husband. I visited the devastation in New Orleans and surrounding parishes in December with Senator Landrieu. This is just a small version of what anyone with their own eyes can see.

And we've been joined by my good friend who has been waging a valiant effort on behalf of the people that she represents, on behalf of her home. And I know that Senator Landrieu has used this picture -- reminded her of her grandmother.

And when she and I were down there together in December, we saw so much wreckage and so much loss.

CLINTON: And if I were to go back down there tomorrow with Senator Landrieu, we would still see so much wreckage and so much loss, because no one is in charge at the federal government and no one is helping to really direct the kind of rebuilding and reconstruction effort that is needed.

I strongly urge all of my colleagues to go and see for themselves. Some have, but most have not. And this is a disaster of unbelievable proportions that you have to see even to grasp how extensive it is.

I'm supporting the Baker bill, which was introduced in the Senate by Senators Landrieu and Vitter. I was very disappointed that the administration has come out so hard against it. This bill, which was sponsored in the House by the Republican congressman from Baton Rouge, is designed to help people with outstanding mortgages settle their debts and decide how best to move on with their lives. Yet this administration is opposing the bill's passage.

If we don't fix the problems that exist now, if this White House continues to stonewall investigations while keeping in place the same officials who bungled the response in the first place, then every community in this nation is at risk, if man-made, terrorist or natural disaster strikes us.

You know, the preamble to our Constitution says we are to provide for our common defense. Well, the administration likes to claim that we are safer today than we were on 9/11, but there's absolutely no concrete evidence that our response capabilities are better now than they were then.

How can you, watching, reading, listening to what happened to our fellow citizens along the Gulf, conclude otherwise?

So let's get together. Let's work across party lines. Let's make it absolutely clear that we stand with the people of Louisiana, Mississippi and Alabama.

CLINTON: They are not in limbo. They are in the United States of America. And they deserve better than what they have been given thus far.

And so I am honored to be here with my colleagues. And let me introduce Senator Landrieu.

LANDRIEU: Thank you very much.

I thank Senator Clinton for her remarks and her steadfastness in continuing to keep this issue and potential solutions before the American public.

It does feel, although we are in America, like Louisiana and the Gulf Coast is in limbo for many reasons.

One that I want to focus on today is the inadequacy of the suggestions coming from the administration relative to fixing FEMA.

Before I make a few brief remarks, let me please compliment Senator Susan Collins and Senator Joe Lieberman for the truly bipartisan, fair and tough investigations that they have going on and inquiries about what went wrong, what happened, so that we can bring relief to the people of New Orleans and south Louisiana and the Gulf Coast and, as Senator Clinton said, equally important, to try to prevent this from happening to anyone in the future:

Largest mass migration since the Civil War, 10 times the homes damaged since Hurricane Andrew and unprecedented losses of insured and noninsured properties -- just to start with.

So we are, in fact, dealing with something unprecedented. But it could happen again.

So you'd think we would be on a fast track to fixing it. But it looks like we're on a slow boat rather than a fast track.

Why do I say that? There's little, and I will provide you with any number of items specifically, but in the budget the president just laid down, or the administration laid down, does not reflect lessons learned.

LANDRIEU: We weren't looking for every fix to be reflected in the budget, but we were at least looking for some acknowledgement that this event happened, that there are some solutions.

So what I want to say is: It's one thing to make room for reform in speeches; it's another thing to make room for reform in the budget and in practice. And this budget laid down reflects very few, if any, lessons learned.

Adding personnel and a tracking system while dusting over wholesale structural deficiencies in FEMA and Homeland Security will do little to prepare us for the future. There is a better way. We must re-empower FEMA, the agency, with strong leadership, adequate manpower, training, authority and resources that were stripped from it when Homeland Security was reorganized.

We need to think about a Cabinet-level agency with the president's ear, because by Michael Brown's own testimony, he couldn't get key decision-makers to listen.

There are many other things that we need to continue to focus on. But the fact is, we need new solutions, innovative and bold approaches, something like the Baker bill, Louisiana Recovery Corporation, direct funding through an expanded and more flexible community development block grant, getting real money into the hands of competent elected leaders in the Gulf Coast area, with full accountability and transparency, instead of just throwing more money at FEMA, claiming you've done your job, and walking away while this situation exists.

So I'm glad to be joined by my colleagues. I thank Senator Clinton for continuing to keep us focused on this issue. But, again, it's not just fighting for the people of New Orleans and south Louisiana, the Gulf Coast. It's fighting to make sure that the response will be better next time and people will not have to suffer so much.

Ken?

SALAZAR: I want to just echo the comments of my colleagues here and to say that perhaps the greatest opportunity that we have as a nation is to learn from the lessons of this huge national disaster that has occurred here in our homeland.

SALAZAR: One would think that, after 9/11 and four years and billions of dollars spent on homeland security that we would be able to protect American citizens here within our own homeland.

And yet, what Katrina has demonstrated in the most vivid way possible is that we are not prepared. Over a thousand people have died and hundreds of thousands of people lost their homes.

And yet, we have an executive branch that is not willing to take an honest look at how we failed and what lessons we ought to learn.

And so, yes, I believe very strongly that Senator Clinton's efforts in pushing forward for an independent Katrina commission is the right way to go because I think, otherwise, what we are doing is we are letting down the American public on what they should expect from their government. And that is straight and honest talk and truthful answers about how we can have a strong homeland security. That is our goal, a strong homeland security.

Secondly, I very much agree with Senator Landrieu that, at the end of the day, you look at the people who have been affected in the Gulf Coast states and you look at the people affected in Louisiana and New Orleans.

We are part of the United States. You know, for me, I always speak about how it is so important, as a senator, that the words "United States" precede the word senator." And that is because we are a united country.

And yet, when we see the president mentioning the Katrina issue in, maybe, one sentence in the State of the Union, it's not deserving that kind of short shrift rhetoric.

We need to do a lot more to make sure that we are investing and reconstructing the Gulf Coast for all the people who are affected by it.

And I appreciate the leadership of my colleagues in this issue.

QUESTION: Senator Landrieu, were you distracted at all by the report that came out recently, the testimony yesterday on Capitol Hill that there are 11,000 trailers in Hope, Arkansas.

And FEMA, in their response has said that they can't get clearance to bring them into Louisiana. Can you respond to both of those things?

LANDRIEU: FEMA has the same response over and over when presented with their own incompetence, which is, "It's not our fault. It's the people down in Louisiana and the Gulf Coast."

If you look into it, you will find the way FEMA gives out contracts on trailers is somebody gets the contract to buy them, then somebody gets the contract to move them, then somebody gets the contract to install them, then somebody gets the contract to hook up the electricity.

We didn't make up those rules. Those are FEMA's rules. So if it's not working, FEMA should fix its own rules. That's number one.

So, yes, it is very frustrating.

But the second point I would make is, I think it would be ludicrous after the Second World War for someone to suggest the answer to rebuild Europe is to deliver trailers to bombed-out home sites. I mean, can anybody in this administration appreciate that what we're looking at is a war zone?

Now, don't take my word for it, think what Ted Stevens said when he went down here. He served in the Senate maybe as long as I've been born. He said he's been to war sites. He's been -- he's never seen anything like it. This is not your grandfather's hurricane. We keep trying to explain this.

These were multiple levee breaks that caused flash flooding of 10 to 15 feet of water in places it had never flooded before. Homes have collapsed from structure and from mold. And all FEMA wants to do is talk about why they can't pick up debris and why they can't deliver trailers.

And I think that Senator Clinton maybe could add a little bit from her perspective about the problems with the old solutions.

CLINTON: I just really underscore what Mary said.

You know, when Mary and I were together on December 18th, it was a week before Christmas. We went to church together, to a wonderful Catholic church that is mostly serving the Vietnamese-American community.

Across the street from the church was a big field. The church had been trying to get FEMA to agree to put trailers in that field since September, because the people had been so dispersed -- they lived fairly close to the church, but they were driving hours to come back to go to church, some of them from Texas, some from north Louisiana. They wanted to be close to the church, to use the church as the base to rebuild their homes and their businesses.

So from the church, Mary and I called FEMA together. We both spoke to the director. He said, "We'll cut through the red tape. We'll get those trailers to that church."

CLINTON: I checked on it Friday, I guess. The trailers are not there yet.

We hope the trailers will be there soon, because we were assured they were coming, the people were told they were coming. They're not there yet.

Second point: The federal government owns land in and around New Orleans. It is federal government land. Some of it is housing project, HUD land. Some of it is military land and bases.

The federal government has land. So when they constantly put up to you and others, "Well, we can't do this because we can't get everybody to agree," we don't believe that, number one. But, number two, even if it were true, there are places they could go tomorrow and put in trailers for people to be housed.

So, you know, it's just more of the same old, same old. It's the song and dance from this administration.

When President Bush when to Jackson Square and said we were going to rebuild it, we were going to stand with the people, apparently that was not communicated down the ranks, because it surely is not happening.

QUESTION: Do you think, Senator Clinton, that Secretary Chertoff should be fired or should resign because of his handling of Katrina?

CLINTON: Well, you know, that's the president's choice. The president is free to name whomever he chooses to serve in his Cabinet. And I think it's fair for people to ask what kinds of choices he's made and what sorts of orders he's given and what kind of accountability is expected in this administration?

QUESTION: A further question: You used the (inaudible) a few times in your remarks. The big story in the news yesterday and today is Vice President Cheney and how long it took the news of his shooting to come out.

Could you comment on that please?

CLINTON: Well, I don't want to comment on that directly. But let me just say that a tendency of this administration, from the top all the way to the bottom, is to withhold information, to resist legitimate requests for information, to refuse to be forthcoming about information that is of significance and relevance to the jobs that all of you do and the interests of the American people.

CLINTON: I don't think that one incident alone tells the story, but putting it all together, going back years now, there's a pattern and it's a pattern that should be troubling.

I don't care whether you're a conservative, a liberal, a Democrat, a Republican, independent: The refusal of this administration to level with the American people on matters large and small is very disturbing, because it goes counter to the way our constitutional democracy, with checks and balances and the fourth estate and all the rest of it that is supposed to keep us operating efficiently and constitutionally is supposed to work.

QUESTION: Senator Landrieu, you talked about the need for an independent commission. Do you agree that there's a need for (OFF- MIKE)

LANDRIEU: Yes, I do. And I have supported it. And I've said because it is important for the American people to really understand what happened not so much to waste time and resources in blaming, but to prevent it from happening again.

And I'm going to continue to support an independent commission. I think we saw the value of it in 9/11. I don't think anyone would disagree with the value of the independent commission in 9/11.

Now, having said that, I want to repeat my confidence in and my compliments to the way Senator Collins and Senator Lieberman have conducted their hearings. They are -- that committee is responsible for oversight to homeland security.

So these can be parallel efforts. You can continue on the ways to improve homeland security and then get an independent investigation conducted and under way. I hope we can do both.

QUESTION: Do you expect New Orleans to be repopulated in the next year?

LANDRIEU: I expect New Orleans to be repopulated. When that will occur, I don't know.

And I'm of the minority that actually thinks the city and region -- the city and region will be larger and will grow even faster.

Why do I say that? Because first of all, it's a wonderful place to live. It is one of the most unique places in all of America and you can't replace it. You just cannot replace it.

LANDRIEU: And so it has always been an attractive place for people to live, to work and to visit.

A recent book that's really touched me says, and it's "Why New Orleans Matters," says: "New Orleans is one of the few places that brings a smile to the face of people who have never even been there."

Now think about that. How many places can you say that literally people smile and they've never even been there?

It is a special city. So, yes.

Now let me say this. Many things are hampering it, but one is this notion that, unfortunately, Speaker Hastert's daughter, two days after the storm, when he said, "Why would people want to live there?," because we live five feet below sea level, or eight feet below sea level?

I just got back from the Netherlands and, can I tell you all, people live 21 feet below the sea level in the Netherlands. And they run two ports -- not one -- and one major airport three times the size of New Orleans'.

Why? Because they use their engineering and their ability and they put their money into the priorities that actually do keep their population's safe -- from water, from flooding, from storms.

You can't stop hurricanes or tornadoes or earthquakes, but you most certainly can mitigate against them -- which is what this administration is not doing. And it's all about the budget.

So we're going to give you all some information as this budget unfolds about it. But again, you can make all the promises in the world. But unless it's in the budget, it's empty, an empty promise. And a lot of this is not in the budget.

And you all are going to have to excuse me. I'm going to let Senator Clinton finish up.

QUESTION: You've been pretty critical of the Bush White House over these two days and...

CLINTON: Moi?

(LAUGHTER)

QUESTION: And over the weekend, Laura Bush suggested that you should have more empathy (OFF-MIKE)

Do you subscribe to that philosophy?

CLINTON: I have a lot of empathy. I've been there. I know how difficult it is. It is very, very difficult.

And certainly, since 9/11, it's been a profound challenge. And so I certainly do respect that.

In my capacity as a United States senator, I represent the great state of New York and 19 million people who have a lot of questions about the policies of the administration.

CLINTON: And I would not be doing my job if I were not asking some of those tough questions and raising some of the criticism that is necessary because I profoundly disagree with the direction that the administration is taking the country.

Thank you all.

END

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE FISCAL YEAR 2007 BUDGET FOR THE DEFENSE DEPARTMENT AND THE FUTURE YEARS DEFENSE PROGRAM, 2/14/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

And I'd like to thank both of our witnesses for your service and your efforts on behalf of an Army which is bearing the brunt of our operations in Iraq and Afghanistan. I'd like to focus on two issues with both of you: body armor and pay problems of wounded soldiers.

Secretary Harvey, on January 9th, I sent you a letter regarding recent press reports that revealed a study by the armed forces medical examiner that suggested that more extensive armor could have saved the lives of more than 80 percent of the Marines killed by upper body wounds in Iraq between 2003 and 2005.

I ask unanimous consent that my letter to Secretary Harvey and his response be included in the record.

WARNER: Without objection.

CLINTON: In your response, you stated that the Army began development of new side plates based on enhanced small arms protective inserts last September after Army commanders in Iraq and Afghanistan identified the need for additional body armor protection. When did commanders in the two areas of responsibility first learn of the need for additional body armor? Was that also in September?

HARVEY: Senator, I don't think I really have firsthand knowledge of when they discovered that. I can just tell you that these -- we call them operational needs statements, ONS, comes from theater and that the request for a side plate came in September. Our material people went immediately to work on that, designed the side plate and how to attach it to the so-called interceptor body armor, tested it in ballistic tests and other tests and certainly tried to minimize the weight and then put into production in a matter of less than four months. So it is in production. And the first 20,000 -- 5,000 will be delivered this month. And we want to get to a rate of 20,000.

And I think I also mentioned in the letter that this is up to the commander in theater whether to use it. We really can't order him to use it. It's up to the circumstances and missions and so forth. Our job is to make it available. So we will quickly, I think, be able to make those side plates available.

That does, I think, totally -- it's an additional five pounds, Chief, I think.

So they now with those side plates have 31 pounds of armor on, which, as you may have read in the paper, is not universally accepted by our soldiers.

CLINTON: And I am well aware of that. I think that the challenge is to provide it.

HARVEY: Yes.

CLINTON: And where appropriate and commanders feel that it should be worn, that is part of the command decision, where it is optional. At least it's available so that soldiers can make a decision based on their own assessment.

But what concerns me -- and this is a point that I'd like to just zero in on. According to the Marine Corps, the Marines identified the body armor requirement in June of 2005. One of our hopes through the emphasis on jointness going back to Goldwater-Nichols is that information will be shared among the services, that decisions about procurement can be expedited.

Because clearly, if, you know, Marines are finding from their commanders that this might be necessary, then a few months later we hear that the Army is doing the same. And I just hope we can get a little more coordination on some of these issues going forward in the future that pertains to the protection of our force.

HARVEY: We were aware of that Marine study. It was performed by the Army.

CLINTON: That's what I thought.

HARVEY: Yes. So...

CLINTON: But here's why I raise it. According to an article on February 12th in the L.A. Times, there is a similar disparity existing between the Army and the Marine Corps on plans to employ the joint improvised explosive device neutralizer. According to this article, the Marines have decided to deploy the JIN prototype while the Army claims the device needs further study. Perhaps you and the general could just explain to me why do we see this disparity in the way that our commanders, Army and Marine, in the field are reacting to the need to neutralize IEDs.

And is there a process where we can better coordinate this? I mean, you know, it's the same young American body out there doing the job we sent that young man or woman to do. Is there some reason why the Army would be, you know, delaying a decision on that while the Marines felt satisfied that they could go ahead with it?

HARVEY: I think there's a -- Senator, there's some confusion on this issue. I'm familiar with the so-called JIN. We developed it at the request of theater. Multi-National Corps Iraq disapproved deployment for operational assessment pending the development of what we call tactics, techniques and procedures. I can't speak for the Marines, but we provided at their request a prototype -- actually 12 prototypes. And MMCI ruled that until these tactics, techniques and procedures are developed that they believed it was not ready for deployment yet.

And the next step is to do this operational assessment in theater. And I don't really know the details of why. But it's, again, up to the theater. And it's up to the theater commanders

to say that they believe that this device is safe and it's effective. And I can't speak for the Marines, but it's my understanding that until Multi-National Corps Iraq says you can do it, it's not the Army's decision.

We provide it, and they have to develop its use, train the soldiers how to use it and ensure that, for example, it doesn't result in an accident, you know, it defeats an IED, but a soldier rolls over and there's an accident or there's a death involved. So I don't think it's as straightforward as it seems. And my understanding is until the MMCI signs off, it will not be deployed either by the Army or the Marines.

CLINTON: Well, obviously one of our great concerns on this committee has been the enemy's capacity to innovate with respect to explosive devices. And I would hope that we are putting any effort on our part on a fast track that, you know, we're not in any way getting bogged down in bureaucracy about procedures, that we're out there in appropriate circumstances with appropriate supervision trying to test these devices that we think can neutralize them.

General, did you want to add to that?

SCHOOMAKER: If you would permit me. I think I might be able to add something to it as well. First of all, you know, over two years ago, the Army on our own initiative started the joint IED task force. And we were doing that within our own resources. More than a year ago, we went forward and I personally talked to Secretary Wolfowitz and asked that OSD help us provide some top cover and expand the resources that we would have, not just money, but access into places, you know, industry and into those scientific laboratories, et cetera, that would help us with this.

Now we have this thing with General (retired) Monty Meigs at the head of it. And it is quite expansive. This joint IED defeat task force is, in fact, a joint clearinghouse for these kinds of issues. It does not mean that the services have to comply with the recommendations that come out of there. But it certainly is a way to bring things together.

Going back to the Army and Marine Corps, we're working very closely together. In fact, we're probably working more jointly together than any other services are, you know, with the Army. Although we have improved considerably across the board. The Marine Corps is fighting in different places. They fight with different tactics, techniques and procedures than we do, and they're a totally different scale. They're also not as heavily armored as the Army is. So they make decisions based upon how they operate that may be different than the way we would go about doing it.

And certainly, the scale at which they would field things makes it a little bit different than when we talk about fielding on a scale that we are. So that isn't to say that this was the right decision. And I don't know all the ins and outs of the particular issue that you've got. But I do know where the clearinghouse is and where we're having these conversations. And, you know, this is certainly something we should look into and find out, you know, what the circumstances are. I hope that helps clarify some of the...

HARVEY: Senator, I might also add that in round numbers the Congress has been very generous to support the joint IED task force. This year there's \$3.5 billion devoted to this. We're about to field the next generation countermeasure IEDs, as you may know, which is

another advance in technology. We continue to improve the armor of our vehicles. So we have a holistic approach.

We continue to develop tactics, techniques and procedures. We continue to look up the food chain, so to speak. You know, there's a wholesale part to these IEDs, the wholesale and the distribution. We have a whole spectrum of initiatives, both technology and tactics that we're fielding. And as the chief said, a very, very able four star retired general, Monty Meigs came back and felt so strongly about it he volunteered to head the task force up.

So I think in terms of fundamentals we have everything in place. And I can tell you from my personal experience that our institutional Army takes this very seriously. We're soldier focused, and bureaucracy is aside because we've got to get it to the theater as quickly as possible. It's got to be reliable. It can't be a false sense of security.

CLINTON: Thank you. My time is up.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

Secretary Harvey, when you testified last year before this committee, I asked you about reports of payroll problems for wounded soldiers, a problem that came to my attention because of the pay problems of Specialist Robert Loria (ph), a wounded soldier from New York, who was billed for travel and expenses that he should not have owed. After I had written you a letter last year inquiring as to the extent of the pay problems of wounded soldiers, Vice Chief of Staff Cody (ph) sent me a letter saying that the Army had identified 129 wounded soldiers with payment and debt issues and that the Army was conducting follow-up audits.

In your testimony last year, you said -- and I quote -- "I hope that I'm up here next year and you're going to say I haven't heard of anything for the last three or four months," unquote. Unfortunately, that's not exactly the case.

In response to an ABC News Nightline investigation last month, an Army spokesman using Army figures said that more than 5,500 soldiers withdrawn from combat on the basis of medical issues have later experienced payroll problems. And I am deeply concerned about this.

And the information that has come to me includes the recent report about the soldier who had received serious shrapnel wounds in Iraq being \$700 to cover the cost of his body armor that had been removed if he was medically evacuated, which comes on top of a news report in October that the Army had found more than 330 soldiers who were wounded and then faced with military debt and the Army had begun to process the forgiving debts claim from 99 of these. And a press report revealed that the Army has granted more than 600 requests by soldiers for debt forgiveness totaling more than \$600,000.

Now, after last year's hearing, I did ask that I be kept apprised of the status of the audits of wounded soldiers. And I was given a commitment that you made to give me a comprehensive response and to keep me informed. And my staff and I followed up on this issue several times asking for answers to questions that I posed last year. Yet I have to confess I learned about the number of wounded soldiers with pay problems through the press.

Now, after these latest reports, earlier this month on February 9th, I sent you another letter about the treatment of pay and debt issues. And I ask unanimous consent that my letter to Secretary Harvey be included in the record.

WARNER: Without objection.

CLINTON: And I know that the Army has arranged a briefing with my office on this issue. However, Mr. Secretary, I would like this year a detailed response in writing from you regarding each of the issues raised in my letter of February 9th and during last year's hearing.

Now, these include how many wounded soldiers have been affected by the pay problems, what safeguards are now in place to prevent the Army from mistakenly over-paying wounded soldiers and then trying to claim debts and also asking for other payments that are not well- founded, what oversight is being conducted of the debt forgiveness process and what assistance is being provided to soldiers making the requests and finally, what benchmarks have been established to measure progress in correcting these pay problems.

Obviously, I know you share my concern that this is something that we should have zero tolerance for, that there should be every effort made to prevent these problems. If they do occur, they should be rare and they should be handled expeditiously. So I look forward to your prompt response to these questions that concern me as they did last year.

HARVEY: And I share your concerns. And we took your request seriously. I apologize for not getting back to you. It was an oversight. But we have made progress since you brought that up at your hearing in terms of auditing. There's something like 10,000 plus wounded in action and another 48,000 which we call disease non--battle injury. We have -- the Army has audited -- I'm looking here at 24,000 of these accounts of which 21,000 were deemed to be correct. Eleven thousand are now in further research. And 2 percent were found in error.

So we haven't -- I think we've made progress. We're not quite there yet. We've also arranged for the DFAST (ph) to develop a database which links medical and finance records. And also we have deployed to the Army medical centers these support teams to have face-to-face, you know, instead of calling a number, that you have a person there that you can resolve this with.

So I think, Senator, we've made progress on this issue. It's important that this be solved 100 percent. I also see that there has been 1.2 million in debt cancellation and waivers for 1,200, 1,300 soldiers. So progress has been made. We'll get you a detailed report in response to your letter.

Let me also add in regard to that soldier, Rebrook (ph) who was in West Virginia. Actually, when we heard of that, we looked into it in detail. And it ended up that he actually

volunteered to give the money back. And then it was discovered that he had actually lost his interceptor body armor in battle but didn't tell anybody. And so, I think what happened was he got a little frustrated with the time it takes to reconcile.

He had a number of pieces of equipment missing. Some he lost because of his injury. And he said, "The hell with it. I'll just pay it." And then when we discovered it, we gave him the money back for the things (inaudible). So it was kind of a mess-up. But we did not charge him. He actually volunteered to pay it in order not to go through this reconciliation process. He's getting out of the Army. So I think we made him whole.

CLINTON: Thank you, Mr. Secretary. And finally, I want to add my voice to the previous comments by my colleagues about the Army's budget proposal regarding the National Guard. But I have a slightly different concern to add to theirs. Aside from the question of end strength, there is a question of funding the force structure that the Guard needs.

As you may know, the 42nd Infantry National Guard Division, the so-called Rainbow Division headquartered in New York recently returned from Iraq. And I thank you very much, Secretary, for noting on January 18th that the 42nd Infantry Division completed the first deployment of a Guard divisional headquarters since the Korean War.

HARVEY: And I did fly to Fort Drum to meet them.

CLINTON: And I thank you for that because we were very, very proud. I saw some of them when I was in Iraq last year. And we're just extraordinarily proud. And as you put it very well, the Army could not perform full spectrum operations without the Guard and Reserves tremendous contribution.

I am now concerned about the potential impact of force structure changes on the Guard and in particular on the survival of this very proud 42nd Infantry National Guard Division that we are not only proud of, but want to see stay intact. And the idea that you could send a National Guard division to battle in its entirety that would fulfill its responsibilities with great distinction is one that, I think, says a lot about what the force structure of the Guard can be. So could you just tell us briefly what the Army's plans are regarding the Guard's force structure?

HARVEY: In terms of force structure, I think General Blum said it correctly. Our plan is 350,000 end strength and 348 in force structure. So that's the current plan, which we're operating to. And again, I can't agree with you more that the 42nd I.D. under the command of General Taluto, who is now the TAG in New York who's an outstanding soldier and leader, they did a great job. Again, we can't do it without them.

SCHOOMAKER: Senator Clinton, if I could, you've got all kind of reasons to be proud of the 42nd. And Joe Taluto was a hell of a leader. But I think that inside that story lies the essence of our dilemma. And that is how many states did it take to make that division headquarters whole and that division whole.

HARVEY (?): Is it 20?

BLUM (?): Eighteen.

HARVEY (?): Eighteen states contributed to the force.

SCHOOMAKER: So we have got to have more whole structure than that. And we want the 42nd and every other division and every brigade in our entire Army to be whole when we call them up and to be fully resourced, et cetera. So, you know, the fact that we had to infuse that many states, plus we put active and Reserve officers and NCOs inside of that structure to make it whole and that we trained it to the level that they performed at such an extraordinary level over there is a testament to the Army.

But it is also a little story in itself about what we have to fix. And that is -- that's the path that we're on. And we are committed to make it right. And so, that doesn't detract anything from the 42nd. And we're proud of them. But it does talk about what the problem is that we're trying to solve here.

CLINTON: Thank you.

Thank you, Mr. Chairman.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE FISCAL YEAR 2007 BUDGET FOR ATOMIC ENERGY DEFENSE ACTIVITIES OF THE ENERGY DEPARTMENT AND THE NATIONAL NUCLEAR SECURITY ADMINISTRATION, 2/16/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

Welcome, Secretary Bodman, and thank you for the partnership and work that you've done with my office on a number of issues that are of importance to New York.

I want to focus on the nuclear waste reprocessing proposal that is in your budget and that you mentioned at the end of your testimony. The Global Nuclear Energy Partnership, or is it GNEP, is that what we're calling it, the acronym?

BODMAN: That's correct. GNEP, that's our term of art.

CLINTON: OK. Now, this, as you know, is a proposal to create a global system of nuclear reactors and preprocessing plants over the course of decades that could cost tens if not hundreds of billions of dollars. I believe that this may be a well intentioned proposal, but one which has serious problems, and I don't think it holds up to the claims that the administration has made about it.

If you look at the independent research that has been done about this issue, the 1996 National Academy of Sciences report, a 2003 MIT study, and even by DOE research, we know that we're taking enormous risks going down this path. And I want to ask you just a couple of discreet questions, and if we could get through them I'd appreciate it.

One of the big concerns about reprocessing obviously is that it creates plutonium, which can be used, as we know, to make nuclear weapons. This is a problem associated with the

reprocessing technologies used in France and elsewhere, and it is the reason why we have consistently opposed reprocessing.

The administration, as I understand it, is claiming that GNEP reprocessing technology would not separate the plutonium from other elements, and, therefore, that the reprocessed material would be proliferation-resistant. But that's only in comparison to other reprocessing methods. In fact, the MIT and other studies I cited concluded that conventional spent fuel is far more proliferation-resistant, the reason being it's too radioactive to be handled safely by terrorists.

So my question is this, my first question, isn't it true that any conceivable reprocessed fuel would be more easily handled by terrorists than conventional spent fuel and, therefore, doesn't reprocessing under GNEP increase proliferation risks rather than decrease them?

BODMAN: You know, I don't know the answer to that specifically, Senator. I guess I would say that the goal is to recover plutonium and other actinide materials in a form that would not be useful to terrorists. Whether they would be more useful than the spent fuel that we now have, I don't know, but I would think that the -- there would -- my best guess would be that there wouldn't be a great difference, but that's just a guess. I'd be happy to get you a more thoughtful answer on that than I'm able to provide here real time.

I just would tell you that we have run this on a batch scale out at Argon and -- not on a batch scale -- it's been a continuous reaction, but it's been on a bench scale, small scale, and it seems to work, so it's something that I believe is worthy of examination. And the problem with the spent fuel that we now have scattered all over this country, including your state, is that those materials, we've only extracted about 10 percent of the energy out of it. And the uranium has been transformed into plutonium and other actinide materials, and this is merely an effort to recover that energy in a fashion that would be proliferation resistant. And I can't comment more than that, but I'd be happy to give you an answer on it in full.

CLINTON: Well, Mr. Secretary, I really appreciate that, because I think our oversight duty requires us to really understand what it is the administration is proposing and attempting to accomplish. I think we have two competing goals here. One is to find a cost-effective and safe way to increase the role of nuclear power in our energy sector and the other is to be as vigilant as possible against the potential spread of nuclear material and proliferation.

BODMAN: I agree with both of those.

CLINTON: Right. And I think we can pursue the first goal, which I'm open to, as I'm sure many people are, because of our energy challenges. But at least in my review of the information available through the National Academy of Sciences, MIT, DOE research, the reprocessing, at least as it is currently available, seems to raise more dangers and questions than answers, and there are other ways to pursue the potential for greater use of nuclear power within our energy electricity production.

You know, part of the reason I'm so concerned about this is that West Valley Demonstration Project in western New York is the site of the only U.S. commercial reprocessing effort to date. And the reprocessing occurred in the 1960s. The clean up has lasted until now. We're still not done with that cleanup. It's cost billions. And so the idea that somehow

reprocessing is going to solve our waste problem, at least insofar as I'm aware of it, seems a little optimistic to say the least.

I'm also concerned about costs. You know, discretionary spending dollars are very scarce, and in the FY '07 budget, the administration spends \$250 million on GNEP. That's a project with uncertain and very distant benefits in my opinion. I think the money would be much better spent in looking at some of the DOE research that is on the brink of being commercially applicable on conservation and alternative smart energy production, because we're cutting a lot of DOE programs that we know have a direct positive impact on our energy usage.

And based on DOE documents, the FY '08 and FY '09 costs would total over \$1.5 billion, forcing further cuts in other programs. And then it ramps up to \$1.3 billion for a 10-year demonstration phase. I've seen no DOE estimates beyond that point, but the best studies that I can find suggest that the reprocessing and transmutation of existing fuel from U.S. reactors would cost upwards of \$100 billion.

So there are a number of very serious issues around this proposal about GNEP. And, Mr. Chairman, I would like to submit a series of questions in writing, because I think this is going to be one of the areas we really need to zero in on as we move through the authorization process.

U.S. SENATOR HILLARY CLINTON (D-NY) HOLDS A MEDIA AVAILABILITY ON DUBAI PORTS WORLD PORTS DEAL, 2/23/2006

(JOINED IN PROGRESS)

CLINTON: ... without regard to partisan affiliation. This issue affects ports down the East Coast and over to New Orleans. There are Democrats and Republicans who represent those states where those ports are. The questions raised by security experts, such as the ones I quoted, who were intimately involved in the work of the Department of Homeland Security, have not been adequately answered.

QUESTION: (OFF-MIKE) surprised by it?

CLINTON: You know, I think the facts really are powerful. So it, in my view, should have gotten the kind of bipartisan, bicameral protest that it has triggered.

QUESTION: Senator, do you have a sense yet when you introduce this bill how broad the support is going to be, how bipartisan it's going to be, and whether you'll have enough to override a veto...

CLINTON: Well, I think the 45-day bill will be very broadly supported. And that is the first order of business.

Senator Menendez and I have deeper concerns about where we're headed with foreign government ownership, control and management of our ports. That will obviously take more investigation and probably some congressional hearings.

But the imperative to move quickly on the 45-day investigation, I would predict, unless there's some move by the administration, will be on the floor of the Congress next week.

QUESTION: Senator, you were talking quite a bit about the Byrd amendment. Do you think the administration's activity in this violated the Byrd amendment? Do you think anything illegal was done?

CLINTON: No. I don't want to say that. I think that, from my questioning, you could certainly follow the language of the amendment, which is very clear. It is a mandatory investigation if two things are present: a government-owned entity, which they admit we have here, and that this would in any way, if it could affect national security.

And basically what we heard today is that nobody in this administration thought that this could affect national security. I find that hard to believe. I think that, you know, on the face of it, it could affect national security.

QUESTION: Were your concerns allayed at all by what you heard here today?

CLINTON: Well, I must commend the chairman and the administration for bringing all these officials here. You know, it's rare that we get such an open, freewheeling opportunity to ask questions about an administration decision, and that's a very good sign, because it's been troubling, the pattern of, you know, stonewalling that has gone on in the past.

My concerns have not been allayed because I don't think that the CFIUS process accurately read the statute and applied it. And if their position is, as it seems to be, that not one person in any of these agencies raised any question that this could affect national security, then I don't know what definition of national security they're using.

I mean when you are talking about major ports being taken over by a government-owned entity, from anywhere, I think that should trigger the 45-day investigation.

Thank you all very much.

END

**U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A
HEARING ON THREATS TO U.S. NATIONAL SECURITY,
2/28/2006**

SUBCOMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

And thank you for your last question and your response, General.

Ambassador Negroponte, I just want to try to close the loop a minute on the DPW purchase.

Were you or your staff aware of the Coast Guard Intelligence Coordination Center assessment about the many intelligence gaps that made it very difficult to infer potential unknown threats, including operations, personnel and foreign influence, when you responded to the inquiry from CFIUS about the intelligence estimate?

NEGROPONTE: As I said earlier, Senator, our report was submitted to the Department of the Treasury before the Coast Guard report. Ours was submitted on the 5th of December. The Coast Guard submitted its -- the date of its report is something like the 13th of December, if I'm not mistaken. So we were not aware of that specific report.

But I have -- and I spoke to Secretary Chertoff just this morning -- ascertained that the objections or the issues that the Coast Guard raised were resolved to their own satisfaction, because they ended up being supportive of this transaction, as was the Department of Homeland Security. And a letter of assurance and some safeguards were built into the transaction as a result of some of the issues that were raised by the Coast Guard.

CLINTON: Mr. Ambassador, as part of the 45-day review, will you be conducting a national intelligence estimate of the UAE efforts to combat terrorism domestically and internationally?

NEGROPONTE: We have not been asked to do that, Senator, and I don't know whether we can conduct a national intelligence estimate in that period of time. But we will certainly participate in the 45-day review and address whatever questions we are asked to address.

CLINTON: Would it be possible to expedite an NIE in response to a request from this committee if it were forthcoming?

NEGROPONTE: Whether it be an NIE or an assessment of some kind, I'm certain we could provide to the committee.

CLINTON: Mr. Chairman, it might be appropriate for you and Senator Levin to consider asking for such a request as part of the 45-day review, because we need to get this system operating more efficiently. And, certainly, if the Coast Guard is making an intelligence assessment after the DNI submits an intelligence assessment, we need to get this better focused.

And perhaps we could make such a request and it might then have the effect of having everything channeled to the DNI, and getting whatever review results would be most beneficial for the final decision.

WARNER: Senator, we will take that under advisement. And my initial reaction is I think you've made an important observation, and it's likely we'll do it.

I mentioned early when the hearing started, as a consequence of our previous briefing -- in which you were a very active participant last week -- we put in a series of legal questions to the Treasury Department and legal counsel for the Senate on the various issues that you and Senator Levin raised.

CLINTON: Thank you, Mr. Chairman.

LEVIN: I wonder if you'd just yield on that request...

CLINTON: Certainly.

LEVIN: ... because I think this is an important request, and I would just...

WARNER: You will take your full time after we opine here, yes.

(LAUGHTER)

LEVIN: Well, it won't be an opining, it'll just be a question.

I would assume that your request would ask them to go back in their assessment to pre-9/11 as to what the activities were of Dubai relative to joining the war on terrorism -- pre-Iraq, between 9/11 and the Iraq war, and post-Iraq war. Because there's clearly very different aspects to their conduct and behavior, at least from everything I've read, in those periods.

So I would assume that your request would include those periods. Is that a fair...

CLINTON: Oh, that certainly is a fair assumption, Senator Levin.

LEVIN: I knew it was...

(CROSSTALK)

LEVIN: Thank you.

CLINTON: Well stated, as always.

CLINTON: I would like to turn now back to North Korea and the development of nuclear weapons.

General Maples, last year your predecessor told me before this committee that North Korea had the ability to arm a missile with a nuclear device. Now, the ability to arm is one issue -- and obviously an alarming one. Another is whether it can be successfully delivered.

Does the DIA assess that North Korea has developed an intercontinental ballistic missile capable of delivering a nuclear warhead to the United States? If not, how many more years before North Korea has that capability?

MAPLES: We assess that they are in the process of developing an intercontinental ballistic missile that would be capable of delivering a nuclear warhead, but they have not done so yet, nor have they tested it.

CLINTON: Ambassador Negroponte, last year North Korean officials asserted that they have a nuclear weapons arsenal. They have also declared that they reprocessed the 8,000 fuel

rods that had been frozen from '94 to '03, which means that over the last four years North Korea has potentially produced up to six more nuclear weapons on top of the one to two devices the intelligence community assessed they already had.

In addition, the reactor the North Koreans restarted over a year ago continues to produce plutonium, enough for about another nuclear device per year. And analysts have concluded that North Korea could have up to 12 nuclear weapons this year.

At the end of last year's hearings, at the end of last year, Senator Levin asked you to produce a comprehensive national intelligence estimate on North Korea's nuclear and long-range missile programs, because there had not been one for several years.

And I thank you and your staff for completing that estimate and sending it to the committee.

I now hope that we can update the 2002 unclassified estimate that North Korea has one to two weapons.

What is your unclassified intelligence estimate regarding the number of nuclear devices or weapons that North Korea currently possesses? Is it still one to two, or is it a new range?

NEGROPONTE: Senator, when I was asked a similar question earlier, I was reluctant to try and put a number on this.

I think you're right to point out the fact that there is this fissile material and that it's being produced regularly.

But since we don't know for an absolute fact that they have nuclear weapons, to then try and extrapolate from the fact that they have this fissile material as to exactly how many weapons they have, I think is a difficult thing to do.

NEGROPONTE: But there's no question that there's a potential there for a number of weapons.

I'm just reluctant to pinpoint a specific number because I don't want to convey the impression that we know for a fact that they have that many weapons.

CLINTON: Well, Mr. Ambassador, I think, though, that there's been enough discussion of this, and certainly there has been enough testimony that creates a range.

Porter Goss testified as to a range that seemed to suggest it was more than one to two.

And it seems timely that you would publish, for the benefit of public debate, an unclassified version of the new NIE on North Korea and also publish a new update, since the last one was published four years ago before North Korea withdrew from the Agreed Framework, to the unclassified estimate of the number of nuclear devices or weapons that North Korea possesses. Because this is an ongoing debate. This is a serious security challenge. And I think the public deserves to have a base level of information on which to participate.

With respect to nuclear reactors, we know they currently operate a five-megawatt reactor. Another 50-megawatt reactor has remained under construction for some time.

And in November of last year, the Washington Post reported that during a trip to North Korea, American scientist Sig Hecker was told by the director of the unfinished 50-megawatt reactor that construction was going to start soon and implied it would be finished in a couple of years, an obviously very troubling development.

Can the intelligence community comment on whether North Korea has resumed construction of the 50-megawatt reactor?

NEGROPONTE: I suspect we can, but I don't have the answer handy at the moment, Senator, and I'll submit a response for the record.

CLINTON: And finally, with respect to the six-party talks, it's been disappointing, certainly, to me -- I assume to others, as well -- that we have outsourced our policy with respect to North Korea, to the six-party talks, which really means outsourcing it to China. I don't think that's a wise decision.

CLINTON: And let me ask General Maples, what are the military implications of the failure of the six-party talks to bring any halt -- temporary or permanent -- to North Korean nuclear activities?

MAPLES: Ma'am, we believe, of course, North Korea would continue on in the development of nuclear material and nuclear weapons, and that without the six-party talks there would be little likelihood that they would give up their nuclear program.

CLINTON: Well, I have no doubt that the six-party talks are to some extent useful, but I worry that the six-party talks have really devolved into the Chinese talks and the Chinese have their own agenda. And I'm not sure that the six-party talks is the only route we should be following to deal with North Korea.

Thank you.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you very much, Mr. Chairman.

Welcome, Dr. Duke.

DUKE: Thank you.

CLINTON: We're delighted to have you here. And thanks also for your years of service.

DUKE: Thank you.

CLINTON: I think we're all committed to insuring that this program remains strong and viable and able to help as many people living with HIV and AIDS in our country as possible. I hope, too, that we don't try to expand the reach of the CARE Act by removing resources from areas which have historically been hardest hit by the domestic AIDS epidemic.

For example, the need is greater than ever in my state of New York. Although New York only has 7 percent of the nation's population, it has 17 percent of the nation's AIDS cases. Over 100,000 people living with HIV and AIDS reside in New York, more than any other state in the nation.

And the epidemic, unfortunately, shows not signs of abating. More than 7,000 new cases of AIDS were reported in New York in 2004, again, more than any other state in the nation.

In response to a letter that I sent to you in October with my colleagues in the New York delegation outlining our concerns over the president's principles, you stated that the principles are proposing to target federal funds, the most heavily impacted communities and to serve the neediest first.

Now, such a statement would seem to indicate strong administration support for a state like mine which has born the brunt of the epidemic, and yet if the administration's principles were implemented, as I understand them at this point, New York would experience decreases in funding that would terribly impact our ability to provide care and treatment to the 100,000 people we have living with HIV.

Specifically, the principles would require 75 percent of the funds to be spent on a yet to be defined list of medical services, establish a severity of need index that would take into account state spending, and make changes in the Title II formula that would shift funding away from areas with Title I eligible metropolitan areas.

Could you explain -- because it's obviously important to me, to Senator Kennedy, to California, to other states with large populations -- how the president's proposal for reauthorization would help and not hurt heavily impacted communities with demonstrated needs, like New York?

DUKE: I think that the word "principles" is the key here. We have principles that we put forth. And what we've done is we've laid out some of what we see as problems with the equity of the statute as it exists.

We are very aware of the tremendous job that New York has done and of the tremendous burden that New York bears in this epidemic.

The reason we're working with principles rather than with some kind of assertion that we have truth, beauty, justice and light on our side here -- rather what we're saying is, here's some principles and here's some things that we see are problems in the statute as it now exists.

And so what we've tried to do is we've said, for example, on the 75 percent -- of course, when I got your letter, I said, "What's going with this? What are we doing now?" And then, of course, I'm inundated with statistics. And it basically boiled down to, hey, we're already doing more than 75 percent.

Now, what of core services and so forth. You can look at -- everybody's got a list of core services. And what I wanted to know, is there any commonality? There's a lot of commonality about what core services are.

So what we're trying to find and what we're trying to put forth in these principles is, can we, working together, find a way to address the reality that a big state like New York -- with a big EMA like New York City -- needs recognition and funding to deal with the epidemic as it appears in that jurisdiction. But at the same time, we need to have some equity for the states that don't have an EMA and where we get this tremendous difference of per case funding.

And I honestly believe that all of us working together can sort our way through this to get a precise and manageable way of doing that doesn't reward bad behavior or punish good behavior and that's what we're seeking here. And we don't pretend to have all the answers, but I believe we can do it together.

CLINTON: Well, I certainly welcome your offer to work with you, because I think that's what all of us are striving for. And I would second Senator Burr's request that we look for a way to recapture funds that are not used.

We did work that out in the Children's Health Insurance Program, the S-CHIP program. And maybe that's one of the models we can look at, because we had the situation where some states were utilizing those funds and others were returning them to the Treasury and we were able to transfer those.

Now, when we look at the severity of need index, we have to also take into account the effort that state and local governments have made, which I don't think we want to discourage or disincentivizes.

We also, I think, have to take into account the impact on Medicaid, because certainly the bulk of the medical costs in New York are paid for by Medicaid, not by the Ryan White CARE Act -- with the cutbacks in Medicaid how that's going to impact the caseloads that are already on the rolls for HIV-AIDS. And I think that, again, I would just raise these as cautionary notes.

I also would hope that we could study carefully the support services. I know there are some who think that the medical services, the access to medication are really the end all and be all. But we have found in New York from a lot of trial and error -- and now some very good programs -- that nutrition services, case management services, emergency housing assistance, are really medically related and necessary services.

And so if we take the 75 percent CARE Act funding and direct it to the as yet undefined set of core medical services, how will we deal with case management and some of these supplementary services that we at least have found were necessary to keep people alive and to keep them able to go on with their daily lives when they were under tremendous health pressures?

DUKE: Well, one of the things we did in trying to look at where we are now in terms of where we're going to perhaps go, we tried to look at what were we spending money on now. And what we found was that about 29 percent of the money gets spent on health care; about 42 percent of it gets spent on pharmacy. And we included in that definition case management services.

So when we look at this definition of what's a core service, as you look across the definitions and you sort of almost play those children's games when you try to make things line up, one of the things that happens is when you line up these various lists is that you find that there are commonalities -- the idea of having outpatient services, having X-ray, having access to oral health care, mental health care, behavioral and substance abuse care. When you put all of those in, one of the things that you also find is that case management comes up on most of those lists.

CLINTON: Thank you very much, Dr. Duke.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON COMBATANT COMMANDS' REQUIREMENTS IN REVIEW OF THE FISCAL YEAR 2007 DEFENSE BUDGET, 3/7/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

And thank you, gentlemen, for being here and for your service.

And thank you, too, General Bell, for coming and giving me an excellent briefing about the Korean peninsula. And I want to start with you, General Bell. Last week Lieutenant General Maples, director of DIA, responded in a public hearing to a question about North Korea's efforts to develop a long-range missile that could reach the United States.

He stated that North Korea is, and I quote, "in the process of developing an intercontinental ballistic missile that would be capable of delivering a nuclear warhead, but they have not done so yet, nor have they tested it," unquote.

Do you agree with General Maples' assessment? And furthermore, how far do you believe they are from developing and testing? And how best can we deter that?

BELL: Thank you, Senator Clinton. I've looked at this in some detail. The Taepo Dong II and III missiles, as we call them, are of the kind that, at least in theory, could produce intercontinental capability.

Up through the late '90s, there was a fairly active program in North Korea to develop that missile technology and potentially to test it. In the years since the late '90s, the last six years, seven years, we have seen very little activity by the North Koreans to actively continue to develop and test long-range missile systems.

There is no doubt in my mind that they have the capability to begin more technological investigation and to begin a regimen to lead to testing and potentially to lead to fielding. But there's no evidence of it right now.

The evidence that we see is in short-range missiles, most useful, quite frankly, in a conflict on the peninsula. And I could be more than happy to discuss that in some detail with you in a closed session.

But I do agree with General Maples, and I think his assessment is accurate.

CLINTON: General Bell, do you think that the Chinese have the same interest as we do in putting an end to North Korea's nuclear efforts?

BELL: Taking a good look at the Chinese relationship, first with North Korea, to see what kind of partner or ally they are with North Korea, and try to make some assessment with regard to that -- now, Admiral Fallon would also be able to address this in some detail.

But first and foremost, the relationship between the People's Republic of China and North Korea is not as active as one might think. The exercising that you would expect between the ROK -- I'm sorry, the North Koreans and the Chinese is very low and essentially not extant.

The supply of military hardware, et cetera, et cetera is very low and non-extant. And so these are all positive things. My sense would be if the Republic of Korea wanted to confront the United States with respect to nukes that it would be more engaged in a conventional sense at the baseline. But they are not.

Does North Korea have -- or do the Chinese have our interests in the six-party talks to see these talks conclude positively? It is not in the interest of China, in my view, to see the six-party talks fail. I'm not certain that they are as excited about the conclusion at an early point as we are, but they've been good hosts.

They hold the talks in Beijing. They have been positive in their comments with respect to North Korea and their desire to see this resolve peacefully. So all the members of the six-part talks, in my view, have their own agendas and their own perspectives, but they have repeatedly said in open session that they are committed to the same objectives, and that is a denuclearization of North Korea, the return of North Korea to the peaceful community of nations.

And my assessment at this point is that China is helping us in that regard as opposed to hurting us. And I'd be glad to let Admiral Fallon continue, ma'am, if you'd like.

CLINTON: I would. Thank you.

Admiral Fallon?

FALLON: Thanks, Senator. I concur with what General Bell said -- maybe just add a couple of additional comments. It seems to me that the Chinese put a premium on stability, certainly within their own country, and the potential for having instability along the border with North Korea either instigated because of actions that Korea might provoke with its neighbors over nuclear weapons or any other issue seems to me to be motivation for the Chinese to stay engaged in this process.

In my discussions with Ambassador Hill, who's our chief...

INHOFE: Would you speak more directly into the microphone? Thank you, Admiral.

FALLON: Sorry, sir. My discussion with Ambassador Hill, our negotiator in the six-party talks -- he indicates that the Chinese have been helpful, particularly in the last session, in trying to move forward in this area.

So it seems to me it's tough to get into their heads and see exactly what the calculus might be that they're using, but by all appearances it's in their interest, and they appear to be working in this area with us.

CLINTON: Admiral Fallon, what military assistance do you plan to provide to the Philippine government over the next year or so?

FALLON: Senator, we've been engaged for some time with the Philippine government in a number of areas. We're trying to help them to build the capacity to deal with the terrorist problem in the southern Philippines.

We have been working with them in a significant effort called Philippine Defense Reform. It's been undertaken by the government of the Philippines and led by their secretary of national defense, the honorable Secretary Cruz, in which they are looking at a far-reaching overhaul of their entire structure, which I think would be in their best interest and ours as well.

We're helping them on the ground with advisers in Mindanao and Sulu Archipelago, and we are working a number of military assistance cases to try to help them in a materiel condition to build up their capability, particularly airlift and in other areas that would be helpful to them in gaining a better military that might be more useful for them and for the region.

CLINTON: Well, your predecessor, Admiral Fargo, agreed to inform this committee in advance of any changes in our involvement with the Philippines and particularly with respect to conditions under which U.S. service members would be involved in combat activities. And will you honor that agreement so that we would have advance knowledge of any changes?

FALLON: Yes, ma'am, I certainly will.

CLINTON: Thank you.

General Jones, I just want to go back to a point that Senator McCain was asking you with respect to Darfur. You may remember that a year ago February we talked in Munich about the potential of NATO providing airlift.

And I know from personal conversations with you in the months since that there was a great effort undertaken to get the appropriate permission and then to find the necessary resources.

Could you just enlighten me at least on, you know, what the process was and what actually came out of that process? Because I know you worked it and pushed it. It was difficult, and we didn't really provide all that much airlift, in retrospect. I don't know what the specifics

are, but I know that it hasn't been adequate, and now we're looking to see what else we can do.

What is the problem? I mean, is the problem it's an out-of-area commitment? Is the problem that our other allies in NATO are not committed to it? Can you just briefly describe what is the obstacle to doing something even as limited as airlift to the extent necessary?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE QUADRENNIAL DEFENSE REVIEW, 3/8/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

Thank you, gentlemen. And thank you for your service. Thank you for your work.

You know, I have to confess that listening to the exchanges, reading the QDR, it is a little bit confusing, I guess I will say. There are so many issues that we can look back on over the past five years that have been very troubling.

The words are all here. You know, we've had trouble getting up- armored Humvees and body armor to our troops. We've had strategic and tactical challenges. We've had recruitment difficulties.

We've had many problems, in addition to the larger considerations that both the Chairman and Senator Levin mentioned about budgeting, which has been deeply troubling.

The failure to pay for this war, I think, has grave implications for our nation's security. We're ceding our fiscal sovereignty every single day, and passing the costs and the dangers on to our children.

So, you know, I really -- you can read this and it says all the right stuff. You can quibble with, you know, some of the strategic statements and the operational recommendations.

The problem is: How do we really vet this?

You know, it's one of the frustrations, Mr. Chairman, that I think I have as a member of what I believe to be the best functioning committee, a committee of great bipartisanship, of, you know, really very wise and comprehensive leadership on both sides of the aisle.

CLINTON: You know, at some point I think it would be useful to subject a document like this, as you have done internally, I assume, to the critiques of outside experts.

You know, in our five-minute rounds, we barely can scratch the surface. We can't get to anything beyond just the most superficial.

And this is really serious business. And it would be helpful, perhaps, to have some other witnesses who can help us really think through, are we headed in the right direction?

The questions that Senator Reed was asking are of deep concern to many of us. The force structure doesn't look large enough to carry out this multitude of responsibilities.

So I don't really have a question so much, Mr. Chairman, as a concern that it is difficult to exercise responsibilities in the format in which information comes to us.

The second point I would make is that there is a great deal in here, as there has been in the rhetoric of the administration for several years, that we're in a long war. I'm not going to argue with the description, but it strikes me that it's a very strange long war when the vast majority of Americans are not being asked to sacrifice or share the sacrifice at all.

This is the longest conflict I think we've had, perhaps since the Revolutionary War, I'm not sure, with an all-volunteer military. It is these young men and women and their leaders who are bearing the day-to-day burdens and making the sacrifices.

We continue here to act as though we're living in a parallel universe, where we're cutting taxes, almost on a regular basis, where we're spending like teenagers who stole our mother's credit card, where the defense budget is increasing, but the accountability doesn't seem to be there for the financial burdens that that imposes.

So it's not any specific issue about the QDR, because I know that this has been a long and very challenging process, but putting it into context, I think we have a lot of questions.

CLINTON: And, Mr. Secretary, you said it was above your pay grade and I appreciate that, because these decisions are obviously being made at the highest levels of the administration. But you're the person in the hot seat.

So I would just hope that we could perhaps get a slightly different perspective -- maybe bring in some experts, some people who have been there, who have some constructive criticism, just to get us a more rounded view of what our options are.

And I guess the final thing I would say is that there's a great emphasis throughout here on interagency cooperation, rebuilding our alliances -- all of which I agree with absolutely.

It strikes me, in looking at this QDR and with the work that we need to do throughout the government, that we may have gone beyond the DOD QDR and we might need a broader look that does bring to the table other stakeholders in the government -- because we've had some really serious lapses.

What happened with Katrina was really embarrassing, and we haven't yet sorted out what we need to be doing going forward.

So I think that one recommendation I might make is that we try to figure out how we would have a broader process that would look at the elements of our security that are dependent upon the cooperation and participation of other agencies and personnel within our government -- because we had a disastrous experience with the Coalition Provisional Authority, based on my observation.

And I don't know, if we were to do it again tomorrow, what would be the alternative. How would we do it better? What lessons have been learned?

So I thank our witnesses because they have labored mightily on behalf of this and there's a lot of food for thought in here. But I think that we need to put it in a broader context.

ENGLAND: Senator, if I could just respond for a minute. My only comment...

WARNER: Take all the time you want, because it's an important foundation.

ENGLAND: OK, thank you.

WARNER: I would just like to interject, before you respond, Senator Levin and I shared similar concerns -- not by way of criticism, but there may be other areas.

We have written to the GAO to review this for the committee.

CLINTON: Excellent. Thank you.

WARNER: And that review's going on.

Also, Senator, I would say that Senator Levin and I will be considering such legislation as may be required to implement sections of the QDR.

WARNER: And in that context we'll be reviewing it in a sense of -- with a critical eye.

So please respond to our colleague, if you would. And if you'd like to take time for a question or so, we have adequate time.

CLINTON: Thank you, Mr. Chairman.

ENGLAND: Senator, my comment about above my pay grade was: Is this a decision in terms of is there a supplemental, or is in the base budget? And I think that's a debatable point. But the decision's been made as supplemental.

I frankly believe there's benefits in terms knowledge in the supplementals, because we can readily defend each of the costs, where we couldn't if we did it two years ahead of time. I mean, that's sort of the fundamental issue.

But that said, again, that is above my pay grade. But I actually believe it is better in terms of the discussion.

This question of force structure: Again, force structure's not free. I mean, the most expensive part of the military is our people. I will tell you when Vern Clark was CNO and I was secretary of the Navy, our view was: We want every single sailor we need, but not one more. Because we can't afford the one more all the time.

So we have gone through a lot of analysis and understanding, and we have restructured all of the forces in terms of jointness and equipment, and we are spending a lot of money in terms of equipment.

The Army alone, the Future Combat System, is over a \$100 billion at times. So you would hope that we would get a high degree of capability, effectiveness and efficiency from those kinds of expenditures.

And, frankly, my view is the responsibility is on us to realize the benefits of those investments. So I would hope that, in time, the force continues to go down as we increase effectiveness.

By the way, in the United States Air Force, many missions now are unmanned. So you can expect -- and the Air Force is planning to come down in manpower, the same as the Navy did, but also the Army's now seeing the benefits of this investment.

So my judgment is we are making informed decisions and the best (inaudible) entire leadership team across the Department of Defense.

Now, we have brought in all the other agencies of the federal government to participate. We've brought in friends and allies. There have been a lot of outside organizations that have reviewed and provided comment.

But I will tell you, if people provide a better insight, we would be more than happy. I mean, our job is to protect and defend America. And we have no (inaudible) in that regard.

ENGLAND: Regarding the long war, I mean, the Cold War was 40 years. And the Israelis have been fighting terrorism for 60 years now. So we have been in long wars before. This is a different kind of war that we fight.

As a matter of fact, once in a while, I almost feel like the term "war" is perhaps misleading, because war conjures up a certain image of tanks and soldiers and artillery and airplanes, and that's not this war. Even in Iraq today, that's not the war.

It's not about firefights at this point. It was for a very short period, but it's not at this point. So this does require new thinking. We are trying to transform, and I believe we have succeeded in transforming our thinking and our approach.

And what I would encourage -- look, this debate is very valuable. This is important. And we're not just going to do this QDR. This is, I believe, a constant reassessment, because the world is changing very rapidly.

So our view is, keep reassessing, keep redirecting. And we will need the help of the Congress to do this. It is very hard to move from one direction to the other, both within the department and I know within the Congress to move into a different direction, because we have different suppliers, different kind of equipment.

So this is going to be a joint concerted effort by the Congress and the Department of Defense. And frankly we welcome the dialogue; we welcome the debate.

Our objective is to end up with the best forces we can for our country.

CLINTON: Thank you.

Thank you.

“Anderson Cooper 360,” CNN, 3/9/2006

As Dana mentioned, the port deal drew fire from both sides of the aisle, of course, from Senators as far apart politically as Trent Lott and Hillary Clinton. They sat down with us today -- or, actually, stood up with us today for an exclusive interview, just as the deal collapsed and the story broke.

(BEGIN VIDEOTAPE)

COOPER: I have got to put this question to both of you.

Senator Clinton, I will start with you.

You have been very outspoken about the Dubai ports deal. We just learned today, the Dubai company is going to transfer port operations to a U.S. entity. Is that good enough for you?

SEN. HILLARY **CLINTON** (D), NEW YORK: Well, we don't know the details, Anderson.

We got a one-paragraph report that said that there was going to be a transfer, but the devil's in the details. I think all of us are waiting to see exactly what that very brief description means.

COOPER: Senator Lott?

SEN. TRENT LOTT (R), MISSISSIPPI: I think we need to know more about the details. Is this some sort of a transfer? Is it an actual complete letting loose of the government control of this company?

But I think we need to do more than that, too. I still think that the -- the CFIUS, or the review process, needs to be looked at. We have found that there are some gaps there. Again, the legislation did not include the Department of Defense. I -- I think they should be in that.

I also think this is an opportunity for us to take another look at what we want to do about port security. And then the -- what happens with the company itself, I think we need to ask ourselves, do we think it's a good idea for a foreign-owned company from any country to operate our terminals?

I don't think you can reverse a contract, or lease arrangement. But, prospectively, I think we have -- we would be within our rights to have some ground rules on all of that. And that's what we should do. We should have -- we should think about this and have some intelligent legislative thought. And I think that kind of action is going to be required.

(END VIDEOTAPE)

COOPER: It's fascinating to see them standing there, agreeing with each other. On that, they agree.

That is not all they agreed about today. They're also potentially on a collision course with the administration on fixing FEMA, so that this, that kind of damage, never happens again.

We will talk about it in the second part of our exclusive interview coming up. And, later, a FEMA red-tape outrage -- surprise, surprise, badly needed cadaver dogs being taken off the search for bodies because of a paperwork snafu. The state is involved. FEMA is involved. We are going to see what's really being done to try to get around the bureaucratic red tape.

COOPER: More now from our exclusive interview with Senators Hillary Clinton and Trent Lott.

On a personal level, they get along just fine. Most Senators do. But, politically, they're usually about as far apart as New York -- as a New York Democrat and a Mississippi Republican can be.

They do agree on this, however: FEMA needs fixing. And they're co-sponsoring a bill to fix it, one the White House may not especially like.

(BEGIN VIDEOTAPE)

COOPER: Senator Lott, you proposed this legislation to take FEMA out of the Department of Homeland Security.

Michael Chertoff, the current head of Homeland Security, says this is a bad idea, that, basically, it will be disruptive, with less than 10 days -- less than 100 days to go before the hurricane season.

LOTT: I found that, after Hurricane Katrina, that we really had serious problems with FEMA. Now, we had an overwhelming event, but we also had an agency that had sort of been neglected.

It was undermanned, underfunded and bureaucratic, huge problems. I'm not, you know, complaining about Chertoff or the Department of Homeland Security. I just think it's another layer of bureaucracy that's not necessary. And FEMA has a unique, separate from Homeland Security, mission. So, that's why I have introduced this legislation.

And I'm glad to join with Senator Clinton in proposing that.

COOPER: Well, Senator Clinton, Republican Senator Susan Collins from Maine said -- and I quote -- "This was a failure of leadership. If you still have Michael Brown making bad decisions, it wouldn't matter if FEMA were in or out of the department."

CLINTON: Well, Anderson, the legislation that Senator Lott and I are proposing does three things.

It does make FEMA independent again. And it does give the director of FEMA direct authority to report to the president. But it also puts in qualifications and credentials that the high-level officials in FEMA have to meet.

COOPER: Senator Clinton, you know, Katrina was really the first test of this new massive Homeland Security Department. And -- and, you know, most people agree it -- it failed on -- on many levels. Why should taxpayers have any confidence in the rest of the Homeland Security Department that really hasn't been tested so far?

CLINTON: Really, we kind of mixed apples and oranges.

We have a -- a disaster-preparedness task that needs to be fulfilled that has to deal with terrorism and natural disasters. And I think that FEMA was functioning well during the '90s.

I actually warned against putting FEMA into the Department of Homeland Security at the time the department was formed because I knew that post-9/11, the new department would necessarily be focused on terrorism. And I have no argument with that. And I didn't want to see FEMA, which has to respond to floods, hurricanes and everything else, become a stepchild.

So that's one of the reasons Senator Lott and I want to take it out of the Department of Homeland Security. We believe that then we have a better chance to, you know, really put it back in the shape it was in the '90s and earlier, when both of us had previous experiences.

COOPER: But Senator Lott, I mean, shouldn't it worry some people that -- that really the first test of this department, basically, you know, FEMA, at least, seemed to fail? And that there all these other branches of this new department that haven't been tested? I mean, should Americans have a lot of confidence in it?

LOTT: I do think FEMA is unique in its role and its mission. That's why I think it needs to be separate.

Like Senator Clinton, I raised reservations when we were creating this new huge behemoth of a department, where we put a whole lot of different agencies and departments, parts of departments all in this new department. I mean, organizing a department like that is a challenge. And I think that Secretary Ridge and Secretary Chertoff have been wrestling with the requirements and I think have been doing a good job.

I just think in the case of FEMA, they just kind of got overlooked, shoved aside. A variety of reasons why it was caused. But, now look, we did this. We created this new department.

We can't blame this on somebody else. We were there at the beginning. So my attitude is, when you find there's a problem or you find you made a mistake, correct it.

CLINTON: Right.

LOTT: I'm not -- I'm not so worried in trying to fix blame for -- even for last week. I just want to know how it's going to be better next week and how are we going to be ready for the next natural disaster or terrorists.

COOPER: Can you guys actually get this legislation passed?

CLINTON: Well, we're sure going to try, because we're, what, three months from hurricane season. According to the latest reports, the Gulf is warmer than it's ever been before.

Many of us believe that the frequency and severity of storms along our coastline -- and I include all the way up to New York, because, you know, we're not exempt from our concerns about what can happen with this kind of storm -- that we need to move as quickly as possible. So we're going to do our best.

We're going to try to convince our colleagues on both sides of the aisle. We know that there is resistance to this. But I don't think we can wait.

COOPER: Is this the start of a new relationship for you two?

(LAUGHTER)

LOTT: How do we look here?

COOPER: I'm telling you, you can take this act on to the road. It's good.

LOTT: Well, the important thing is to work with people...

CLINTON: That's right.

LOTT: ... that will help you get things done. And I am a firm believer that you need to work across party aisles.

I was trying to do that this very week, working with Senator Chris Dodd. Senator Clinton and I have worked on other issues together involving the defense industries.

Look, I'll take allies anywhere I can find them. We're -- I'm not here to make a statement. I'm here to try to make a difference. And I'm glad to work with any senator that will join me in a cause that I think is the right thing to do.

COOPER: Senator Lott, Senator Clinton, appreciate it. Thank you.

LOTT: OK.

CLINTON: Thank you.

(END VIDEOTAPE)

U.S. SENATOR HARRY REID (D-NV) HOLDS A NEWS CONFERENCE ON THE DUBAI PORTS WORLD DEAL, 3/9/2006

CLINTON: I think there are three points here that I'd like to underscore. First, this issues deserves a vote in the United States Congress. And I'm hopeful that the majority will permit that vote to occur.

Secondly, the work on reform that Senator Dodd on our side, along with others on both sides have led, also needs to continue. This is a very important issue for our country.

And thirdly, Senator Menendez and I have a somewhat broader view of this, because we have legislation that we would also like to have a vote on, at some point, that would ban foreign ownership by any foreign-controlled entity by a government from running our critical infrastructure like our ports.

CLINTON: This is not aimed at any company. It's not aimed at any country. It is aimed at trying to send a big wake-up call to our own government that we've not done but we need to do on security in our ports and so much else that has basically been neglected since 9/11.

And so, I joined with Senator Menendez under his leadership to put forth this ban on government-owned, foreign government-owned entities from owning, managing or controlling our ports.

We would like to see that also get a vote, because we think that raises the larger issue about what decisions we are making in our country that might not be in the best interests of America's security.

So I hope that we can get votes on these bills and go back to the work of the Senate on reform.

MENENDEZ: Well, thank you.

I want to just join and say that this is in fact an issue that needs a vote, the immediate vote pending, the vote that Senator Clinton talked about.

And if judges should get a vote up and down, the nation's security should get a vote up and down. And that's what this is all about at the end of the day. It's about the nation's security.

If the details of the Dubai Port World announcement -- if they are truly transferring all of their assets to a U.S. company and they are making a full divestiture in which both operation, ownership and control are totally divested, that may very well be good news.

But we don't know. If all they're doing is using the word "divesting," but ultimately giving it to an American subsidiary for which they have any ability to exert any ability to exert any control, that doesn't achieve the goal.

That's why the pending amendment creates, in this specific instance, the opportunity to obviate the deal with certainty. It is a guarantee to the American people that this deal will not move forward.

And I find it so difficult to understand why the majority cannot let the will of the American people, as fully expressed, as it relates to Dubai Ports World and this broader issue of port security, have its way on the floor of the Senate.

Lastly, I do want to echo Senator Clinton's efforts that she has joined with me and others on. Once we dispose of the Dubai Ports World deal, whether it is because they have fully divested without ownership, without control, without operations or because we have achieved it through the pending amendment of Senator Schumer, we still have to get to the greater policy question: Is it in the national security interests of the United States to have a foreign government operating the port terminals of our country in both its commerce and its security?

MENENDEZ: And as someone who previously in the House represented the port of Elizabeth and Newark, the megaport of the East Coast -- 200,000 jobs, \$25 billion of economic activity that generate through that port, 5,000 foreign ships that come through that port, and 145

million tons of cargo that come to that port, of which 95 percent doesn't get inspected -- I don't want a foreign government doing that operation, especially when, increasingly, we send military supplies and equipments through commercial ports.

If Dubai Ports World were actually able to consummate this deal, 40 percent of all of the military supplies and equipment that we have sent to the men and women in Iraq who are fighting for America would ultimately be in the hands -- they would be doing the stevedoring of all that equipment and supplies.

Imagine if a foreign government that changes its minds about its views of the United States at any given moment simply said, "We're not going to perform that transaction" when that equipment and supplies is sitting there at that very moment and you need it for the men and women in the field.

It is not in the national security interests of the United States. And we hope that in addition to the pending amendment, we will get a vote on an amendment that makes it very clear that we do not believe that the ports of the United States in a security context should be in the hands of a foreign government.

REID: Senator Durbin?

DURBIN: I thank my colleagues, Senator Clinton, Senator Schumer, Senator Menendez, Senator Lautenberg and Senator Dodd.

You know, if you had had a congressional final exam about a month ago, and the essay question is: What is CFIUS and what does it do, not many of us would have passed. But we know now. We know that this obscure agency had extraordinary opportunity and power to make decisions which could literally threaten the security of the United States of America.

And now we find that the decision-making process involving the management of six of our biggest ports in the United States was made in a way that really did not give us confidence that this administration understands the sensitivity and importance of this decision.

To think that they did not give the 45-day review as required by law, did not make the report to Congress as required by law, tells me that this was really an obscure agency that wasn't being supervised closely.

We just talked to Secretary Rumsfeld in the Appropriations Committee, who really said he didn't know much about what happened with CFIUS and what they did.

Unfortunately, the secretary is one of the members of the CFIUS board. He should have known. And he should have been part of it.

We want to not only make sure we get this one right, that Dubai Ports do not run our major port facilities, as they were envisioned to do, but also to make sure we change this process. This really has to be a post-9/11 process that looks at these decisions in terms of national security.

I want to salute my colleagues for bringing this issue to the attention of the American people. And it's very clear on a bipartisan basis today that Congress has forced a result which may or may not, as we learn the details, move us in the right direction.

SCHUMER: Questions?

One other thing that we want to underscore -- just what Senator Dodd said: We want to see both. We want to see this deal undone and we want to see ethics reform. And we think we can do both and will do both.

To take several hours off and do this amendment as a separate bill, or as part of this bill, and then move on to ethics reform, as so ably managed by Senator Dodd's bipartisan compromise, is easy to do as long as the majority leader wants to.

QUESTION: Have you had a chance to talk to any of your Republican friends. The strength on this issue has been with Democrats and Republicans together. But now that the new news has come out, have you heard as to what this (OFF-MIKE)

SCHUMER: Well, the new news, if you mean that new proposal, nobody knows any details of it. I spoke to Senator Frist. He said he doesn't know the details of it.

To simply say that the U.S. entity will be separate isn't enough. How is it separate? How thick is the wall? And until we have all of those details, we can't say anything.

I'm dubious of anything where the United Arab Emirates has any control at all. And I think my colleagues would join me in that sentiment.

QUESTION: Senator, what steps do you take now to figure out those details? How will you go about doing that?

SCHUMER: Well, we want to see more than a paragraph. Senator Warner read on the floor a paragraph. He gave it to me in writing. I think others have it now, too.

And you'd have to see what the contractual basis is. In the past, what Dubai Ports World has proposed has been hardly sufficient; it looks like fig leaves. And furthermore, given the fact that at least the leader of the company seems to have so little concern about security, as is evidenced by his public statements, I think every one of us would be very dubious.

It's not to say it couldn't happen, but it has to be so well done, the wall has to be so thick, that no one would have any doubts that American ports would remain in control of American companies.

MENENDEZ: You know, if, in fact, this is a full divestiture in all of the ramifications that Senator Schumer mentioned, then it's no longer a foreign investment, if that's the case -- if that's truly the case.

In which case, this would be, if it's as being advertised, totally sold to a U.S. company, U.S. owned, U.S. operated, then it no longer is a foreign investment.

However, if it's anything short of that, then it continues to be a foreign investment. And the question is what is the foreign structure that continues to have the command and control and operation and ownership.

And so it's one or the other. And if it's one, it's very clear; if it's the other, then it may not rise to the level that we have stated as the essence of ensuring that the ports of the United

States don't get operated by a foreign government. That's the very essence of the whole idea.

SCHUMER: In the past, all of the arrangements they've made have been very complicated, where the UAE ultimately keeps control. That's not good enough.

QUESTION: (OFF-MIKE)

CLINTON: I haven't heard the details of Senator McCain's description.

That's why I have consistently said my concern is with any foreign government owned entity.

We have to do business around the world with all kinds of countries. And oftentimes, it's in America's best interests, particularly when it comes to basing rights and other strategic military connections.

So I've tried to keep my focus where I think the debate should eventually lead, which is what is it that the United States must do for itself when it comes to protecting our homeland security here. And this is part of that debate.

So I'd like to see us move toward really focusing on critical infrastructure that is controlled, owned or operated by any foreign government.

QUESTION: (OFF-MIKE)

CLINTON: I don't know what the basis for his assertion was.

QUESTION: Aren't you a little concerned, given that Dubai and the UAE is a massive participant (ph) in the U.S. military, counterterrorism (inaudible). This deal was killed. Aren't you concerned about the impact that that could have on the fighting the global war on terrorism (OFF-MIKE)

CLINTON: I think there are legitimate concerns. I'm not going to deny that. Based on what we know from Senator Warner's description of this deal, it came about because of a decision made by the royal family in Dubai, in the UAE.

Obviously, they have made this decision because our government didn't exercise the appropriate oversight and the 45-day investigation, which put everyone in a very difficult position. And so, the owners of D.P. World have said, you know, we're going to divest. And obviously, the details of that divestment is what we're all waiting to see.

I want to underscore that there are very legitimate transactions, connections and strategic relationships with governments all over the world that I think are important to America's security.

I, though, think we have to focus here not on that -- and we have to work to maintain those relationships -- but on the larger question of whether any foreign government-owned entity should control our ports.

For me, that's an international concern. It isn't focused on any particular country. It is focused on the fundamental question of what the United States should be in charge of when it comes to port security and other critical infrastructure.

SCHUMER: Thank you everybody.

Yes, go ahead.

DODD: To the extent there's any damage done here at all, the administration has to assume far greater responsibility. Here you had 12 Cabinet agencies represented in a room and describing a transaction totally almost \$7 billion with a country with some very serious national security implications in terms of our own nation.

Why no one in the room raised their hand and said, "Maybe we ought to slow down on this and think it through." To the extent there's any damage done here, the administration has to assume that responsibility in my view. And I think that's the point that needs to be made. They acted irresponsibly in that committee.

The language is so clear. Anytime a transaction involves a foreign government or where there are national security implications, there must be a 45-day waiting period. What part of that sentence didn't they understand?

DODD: And why didn't they ask for the 45 days and then go through this process?

So to the extent there's damage, look to the White House, look to the Cabinet officers who were not doing their job. That's why there's a problem.

Thank you.

SCHUMER: May I just say one word, and that is -- or two, or three.

(LAUGHTER)

But the relationship with Dubai doesn't live and die with this transaction. They have an interest in having our presence there, knowing that the United States is friendly to them.

END

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON COMBATANT COMMANDER'S MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS IN REVIEW OF THE FISCAL YEAR 2007 DEFENSE BUDGET, 3/14/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

I want to agree completely with Senator Inhofe's last comments. You know, many, many years ago, when I was in college, I wrote a paper about the competition between the then Soviet Union and the Chinese for military and economic influence in African Latin America. And this is like *deja vous* all over again.

And I think we are neglecting our neighbors to the south in a way that is going to be very difficult to repair unless we begin moving immediately. It is not only the long-term contracts that are being entered into for natural resources, it is the building of relationships, it is the funding of a number of projects -- everything from soccer fields to resort hotels.

And I think this is one of the most serious problems we face and we're not addressing it in any comprehensive way and we need, perhaps in this committee, to not only sound the alarm, but try to demand or suggest a much more comprehensive approach, starting with the undoing of the IMET restrictions. Because I think that that's sending exactly the wrong signal and it's provided a big opening.

I was encouraged when Secretary Rice seemed to at least signal some willingness to reconsider it when she was recently in Bolivia. But I hope that's on a fast track because every day we don't, more and more people take off for wherever the Chinese facilities and training are to develop those relationships.

And the same thing is happening in Africa. You know, when you've got a terrible dictator like Mugabe in Zimbabwe, telling, you know, little children in Zimbabwe they should learn Chinese because those are their new best friends -- I mean, this is a serious threat.

So I appreciate Senator Inhofe zeroing in on it.

There are so many issues to discuss with the two of you; and of course, this is the most frustrating of forums because our time and yours is so limited. And a lot of ground has already been covered that I won't replot.

But I just want, Admiral Keating, just to be sure that I understand two points that were made before I came. And I apologize for being late.

Is it your testimony that with the work that is now going on to try to enhance coordination between DOD and Guard and Reserve troops in the event of natural or manmade disasters that there are no suggested changes in *posse comitatus*?

KEATING: Yes, ma'am.

That's my -- that's our position.

CLINTON: It would be very helpful if that is going to be the position of the department to play out for us at some point -- not now, but some of the situations that I know we can run into.

I mean, I have a very -- I have some personal experience with this and then some observations.

And the disconnect between local law enforcement and policing functions, especially in the middle of a crisis or a disaster, is sometimes so great as to undermine the effectiveness of the military role.

And so I would like additional information, if I could. I mean, I can...

KEATING: Sure. Yes, ma'am.

CLINTON: I can go into more detail later about some of my concerns, but I was, you know -- I'm not against the position that we don't change posse comitatus. I think there are very good reasons for it, but I would like more information about how we're going to work with it; how it will, you know, in the real world, function effectively when, you know, disaster has struck.

KEATING: Can I offer an example, Senator, perhaps?

CLINTON: Please.

KEATING: In the case of Katrina, on the Friday following the storm coming ashore, General Blum reported that there were between 4,000 and 4,500 National Guardsmen who were trained in security. They were highway patrolmen at home, or sheriffs at home. They came forward and in their state active duty or Title 32 status, as you know, they have civilian law enforcement powers.

So Steve Blum moved those folks forward, and then we brought in the 82nd Airborne 1st Cav -- elements of the 82nd 1st Cav and 1124 MEU. And rather than put active-duty soldiers in the situation of finding themselves perhaps in an untenable situation, through coordination we put National Guardsmen and those local law enforcement officials that were still available and active-duty Title 10 forces in the same patrols, and allowed them to communicate back to the headquarters that the mayor and the governor and the adjutant general had set up after the accident -- or the hurricane.

So by coordinating in advance and combining the assets from the Guard and activated forces, we were able to instill a certain sense of security by the mere presence of uniformed forces, and within each of these controls were folks who did have law enforcement capabilities.

CLINTON: So they were essentially double-hatted, in effect?

KEATING: Not...

(CROSSTALK)

CLINTON: The ones who were in the Guard?

KEATING: Yes, ma'am.

Well...

CLINTON: So if they were like a police officer also in the Guard, they performed both functions in the patrol?

KEATING: They were empowered to perform law enforce -- they had the authority to perform law enforcement actions that were most assuredly not in the active-duty forces, but it was a uniform next to a uniform, next to a uniform.

And the folks of New Orleans or wherever throughout the affected area simply saw uniformed forces coming and within these patrols were embedded law enforcement authorities.

WARNER: If I might interject...

KEATING: And it worked out just fine.

WARNER: I might interject all my time because I've spent a lot of attention to this subject and it concerns me.

KEATING: Yes, sir.

WARNER: They were all wearing basically the same uniform, weren't they?

KEATING: They were, sir.

WARNER: So if an incident occurred, only the Title 32 Guard are authorized to go up and perform law enforcement functions. And the 82nd Airborne or whatever active-duty Title 10 forces simply have to step back. And that could be very confusing to the locals.

And the Title 10 people can only utilize force under those situations when they're protecting themselves, not citizens over there who need the protection of some law enforcement help.

KEATING: Chairman, there -- in the Title 10 forces, to a large extent I think you're exactly correct.

And there is the inherent right of self defense. But Title 10 forces, if they are in a situation where there is clear, urgent need to respond to protect the lives of American citizens, they have the authority to take very limited and commensurate action to save lives and mitigate human suffering.

WARNER: And perform police functions?

KEATING: In extreme cases, yes, sir.

WARNER: Now, where is the definition of what's extreme?

Because I...

(CROSSTALK)

WARNER: ... think this is a new line...

KEATING: It's not clearly defined, sir.

WARNER: Well, Senator, I join you. We're going to get this straightened out.

I have repeatedly written to the secretary of defense urging that you have a review of this and as yet have not gotten back, I don't believe, all of the responses we had hoped to receive, that they were thoroughly reviewed.

I mean, if that's going to be the policy of the country, and posse comitatus has been the law since the late 1800s...

KEATING: Yes, sir.

WARNER: ... so be it.

But in these situations, you cannot predict all the scenarios. And to have the uniformed personnel of the United States military, the Title 10, 82nd, whatever it is, unable to move in and help the citizens fend off criminals, to me, is an awkward situation.

Anyway, please continue, and you have your full time.

CLINTON: Well, thank you, Mr. Chairman.

You know, it's a very awkward situation. And there are so many hypothetical and real incidents that we can look to, so I hope we can explore that further.

I think, Admiral Keating, you said that you're aware of the Department of Homeland Security working on a UAV project. Could you tell me a little more about that?

KEATING: I'll tell you what I know, Senator, is that before the year 2005, the Department of Homeland Security had no assets of their own. They had no UAVs, whether Predator down to small handhelds.

And I'll be happy to, for the record, give you what DHS currently has. It's my understanding they have purchased one Predator, or at least leased one Predator, and are in the process of obtaining several smaller-end, if you will, smaller, less expensive unmanned aerial systems is the term I'm told we're supposed to use now.

So DHS is aggressively pursuing increased capability in unmanned systems. And I'll be delighted to send you what DHS has and what they're expecting to have in the next year or two.

CLINTON: I would very much like to have that information.

Again, I just worry that we have so many different agencies of the government that are, you know, competing, in a sense, for assets and technology. And I don't know that that's the smartest, most cost-effective way to proceed.

So I would very much appreciate some additional information.

And if I could, Mr. Chairman, one -- I've got so many questions, but let me ask one last question.

WARNER: Why don't you take your time. We're all right, we seem to be.

Senator Collins, if you can indulge your colleague...

(CROSSTALK)

CLINTON: I don't want to take Senator Collins' time. She's a very busy person, chairing, you know, an important committee.

You know, we did have a lot of political reaction to the story about D.P. World Ports. And I think that much of it, at least from my perspective, arose because of our feelings that we're not yet as secure as we should be. And I know Senator Collins' committee is working on this.

But, Admiral Keating, what is your responsibility so that -- for example, on March 11, when the Associated Press reported a three-year, \$75 million Homeland Security Department study that found cargo containers can be opened secretly during shipments to add or remove items without alerting U.S. authorities; that there have been serious lapses by private companies at foreign and American ports and aboard ships and on trucks and trains that would enable unmanifested materials or weapons of mass destruction to be introduced in the supply chain.

Number one, are you familiar with this Homeland Security Department study?

And number two, is NORTHCOM working with DHS and the Coast Guard and the other agencies to try to address these findings?

KEATING: Yes, ma'am.

We are aware of the report.

And the area where -- I've been fortunate enough to have command for a year and a half, and the domain in which we are spending more of our time pre-Katrina, I will say, is the maritime domain.

We have a Coast Guard one-star in our headquarters. The Department of Homeland Security has a flag officer and now an SES to be -- they're seeing a representative of our headquarters and we are reciprocating in kind.

We have direct access second by second to the very significant database that is maintained and shared between the Department of Defense and the Department of Homeland Security out here in Suitland, Maryland, at the Office of Naval Intelligence. Folks contributing to that database are not just military, they are all sorts from very sophisticated, highly classified systems, down to manifests that are vouched safe by the individual countries that I described in Container Security Initiative co-signees.

So it's an extensive, comprehensive system of systems that assure me that while there are cases to be sure, as mentioned in the security report, where a possibility exists for tampering with cargo or containers, the likelihood of that tampering being undetected, while not zero, is smaller than most folks would believe or expect -- expect's the wrong word -- would believe.

And I'm assured that over -- because of the ongoing, increasingly effective efforts and this large coalition of commercial, military, diplomatic and coalition partners, that our security is much better than folks might be led to believe in open-source reporting.

CLINTON: Thank you, Mr. Chairman.

U.S. SENATOR JOHN ENSIGN (R-NV) HOLDS A HEARING ON GROUND FORCES READINESS IN REVIEW OF THE FISCAL YEAR 2007 DEFENSE BUDGET, 3/15/2006

COMMITTEE: READINESS AND MANAGEMENT SUPPORT SUBCOMMITTEE

SUBCOMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman, and gentlemen, thank all of you for being here and for your service and for leading our young men and women so ably and well.

Obviously, because we have our young men and women in uniform in harm's way, separated from their families, we owe it to them to have open and candid discussions on the current and projected readiness of our forces.

Numerous outside studies have been conducted which have raised questions about the overall level of readiness of our ground forces, particularly in the Army, and in January 2006, a study conducted on behalf of the Department of Defense, by Andrew Krepinevich, concluded that the Army cannot sustain the pace of troop deployment to Iraq long enough to break the back of the insurgency.

He also suggested that the Pentagon's decision, announced in December, to begin reducing the force in Iraq was driven in part by a realization that the Army was overextended.

Then in January 2006, a group led by former Defense Secretary William J. Perry concluded that the strains of the nation's ground forces are serious and growing, and even went so far as to suggest that the viability of the all-volunteer force is at risk.

Now, we've had numerous discussions in this committee on restructuring efforts that the Army is undertaking to shape its forces to be better prepared, to meet the current and future challenges. We understand the plan is to create 70 modular brigade combat teams that are more capable of handling the wide range of threats that are faced.

Also, that there's a plan to shed 40,000 soldiers from the institutional Army into the operational Army to add to its combat strength without raising the end strength. And efforts to realign up to 100,000 soldiers into higher demand skills.

General Lovelace, in your testimony, you state that "to achieve this high state of readiness, we maneuver resources, dollars, equipment, and personnel to deployed and next-to-deploy forces, which result in lower resource levels among those units resetting and starting their initial train-up for future operations.

Our success in maneuvering resources to the fight is substantial," unquote. That's very ably said, General, but you could also read that as saying that perhaps we are sacrificing the preparedness of some units for others. And with both the Army and the Marine Corps indicating equipment readiness rates of 90 percent or higher, what about the equipment on hand? How is that impacting overall readiness?

General, based on your assessment and your testimony, are we in danger of undermining preparedness for some because we have to focus our resources on preparing those who are deployed and next to deploy?

LOVELACE: Ma'am, what we're doing now is, basically, we're taking the Army from a Cold War construct, not only by force structure, but how we viewed readiness. And right now, we're trying to work our way through a metric that because the data that we provide everyone uses a Cold War construct. That's why then when we say that deployed is ready, the next deployed is the next most ready, and then at some point, you have here a power that is resetting, and that is part of the discussions that we have.

That's why when we began to provide a construct of why then the supplemental dollars and what they mean to us, it allows us to push the readiness of the force from where it is now to be able to push it to make it more ready in that pool of next deployers.

Faced with the strategy (inaudible), and you know this, that we're now looking at a strategy where the Army provides a package of capabilities, and it's basically about 18-plus brigades with combat support, combat service support. This includes other kinds of enablers, whether it's patriot, et cetera. And so that part of the force is ready to go, and that part of the force is what is deployed.

And then another package sets behind it which allows to be able to surge. And when -- just like Senator Akaka asked the question about what are the readiness trends -- the readiness trends do indicate that the readiness of the force is down.

But that has to do with a lot, because of stay-behind equipment in theater, the equipment that's being reset. I talked about the fact that, you know, AMC, Army Material Command, has grown its capacity by almost 250 percent since pre-war levels. And we just finished resetting the force from the first rotation. But as we begin to sustain with the supplemental effort, inside of what is the Army Material Command, we'll be able to accelerate the reset of the force from here on out.

And so the supplemental is helping us then fuel and lube the readiness of the force, to increase the readiness of the force of the next deployers. And then also will help improve, then, the quickness in which we reset those that are just returning.

That's the basic construct. And what I can do -- and that's in the open session -- what I'll do is be happy to take on the question and get a little bit into the classified data because I think that would be helpful to you, and also allow me to seem less awkward in trying to answer and dodge the classification of the question.

CLINTON: In an open session...

LOVELACE: That's helpful or not, ma'am...

CLINTON: Well, I understand the theory, and I don't argue with the theory. The theory, you know, as you describe it eloquently, makes sense, as a theory. But where the rubber meets the road, and how you actually operationalize and implement a theory is what I'm concerned about.

And how would you respond to the concerns expressed by a number of outside expert analysts, including Krepinevich, including former Secretary Perry, that we're really stressing the military, but in particular, the Army, and that the all-volunteer military could very well be at risk.

LOVELACE: I've seen the articles -- I've read both articles, and I guess that's why when you see how we talk about -- the chief talks and the secretary talks about increasing capacity -- that's why the drawing of the capability from the number of BCTs where we were in 2003 to where we are now -- we're at about 39 -- when you start examining the ability to meet the rotational needs inside a theater, you can see by having grown that capacity, it allows us to be better able to meet what is the level of effort inside a theater right now.

And so our ability to sustain it is just that. We can't.

Now, you talked about the health of the all-volunteer force. And that's a great question. That is a serious, command is critical information requirement, something that the chief and the secretary as well as yourselves are looking at. That's why then we have well-being initiatives. We're looking at everything from building strong and ready families. We have rest and recuperative leave.

I mean, you know the well-being initiatives that we have that lie out there that begin to address the challenges that we all accept the force is under.

And just the numbers are, as I quoted a little bit earlier, is that you take the 3rd Infantry Division that just redeployed, better than 50 percent of that force wore Iraq (inaudible) patch in the theater, and another 12 percent wore a patch of another unit. Now, 62 percent of that division was combat veterans.

The fourth I.D. and the 101st, the percentage is better than 40 percent.

But then I come back and say let's look at the re-enlistment statistics and they are just huge. The third I.D., 139 percent last year while they were in Iraq. As they've come back this year, they're punching up at about 169. And so that's reflective of and how the soldiers are viewing themselves, how they're viewing how well they are being taken care of, and that's reflective of cross support. Those are just the two that I have statistics of.

CLINTON: Thank you.

Thank you, General.

General Huly, can the Marine Corps absorb the requirement to supply 2,600 Marines for the new special operations mission while going back down to the long-term end strength of 175,000 called for in the QDR?

You know, today, as the Department starts creating this new capability, you're at a higher level of 179,000, 180,000 personnel. How does that add up?

HULY: Yes, ma'am, you're correct. Currently, we're at about 180,000 on active duty.

But what we're doing today, the Commandant is on record -- certainly I agree with him -- that we feel pretty good about that number, and that's about where we need to be to do what we're doing today. To be able to absorb not only the 2,600 embedded into the population of the 175,000 Marine Corps, but to get down to those numbers, we have instituted a capabilities assessment group that has just convened down at Quantico, Virginia, this month.

We brought together some of our finest operators and support establishment personnel to take a look at just how the Marine Corps is going to do this and probably by June we should have a readout of a road map and way ahead of how we're going to accomplish it.

CLINTON: I appreciate that, General.

HULY: And it will certainly be reported out to Congress.

CLINTON: Good. Good. Because you know, I am concerned, Mr. Chairman, that there are some reports of internal assessments of readiness that are now being classified rather than being shared with the Congress or the public. And I think we should send a very clear message that the issue of readiness is of great concern to the Congress and to the wider public, as well. So I would hope that there would not be any further efforts to classify information along those lines, so I appreciate that.

I'd like, if I could, I'd like to turn to General Vines and General Sattler, and I want to thank both of you for your service in Iraq, and General Sattler, thanks for hosting me in Fallujah. You were the most enthusiastic describer of events that I've encountered, and I still am remembering with great appreciation your success and commitment there.

But I'd like to ask each of you whether you believe that the Army and the Marine Corps could improve their jointness in operating together, as they obviously have been operating together in Iraq.

The allocation of responsibility for the western sector of Iraq to the Marines during each deployment seems to create a condition where the services don't need to operate as jointly as I would hope they could on tactical matters, at least.

On a recent visit, our staff was advised that the Army and Marine Corps supply systems were not fully integrated, so that even though both may use the same rifle or the same vehicle, if one service needed a part, they could not easily determine if the other service already had one. That's a small example, but I think that there's great operational potential, as well as cost-saving potential in continuing to work on jointness. And I would just appreciate a comment from each of you based on your experience.

VINES: Senator, I would be happy to address that.

You have put your finger on what I consider to be our single greatest weakness, not at the operation level, but at the strategic level.

General Sattler, when he and I served together in Iraq, we had U.S. Army companies commanded by Marines battalions which are commanded by Army brigades which are

(inaudible) by Marine divisions, so it's the most joint operations to include support by Air Force and Navy air, it's the most joint operation in theater. Conventional and soft forces routinely task-organized with each other, so at the level in which we're operating in theater in both Iraq and Afghanistan -- and I've served in both places -- it is far more joint than in the 35 years that I have served.

The great 10th Mountain Division is back for its third deployment in Afghanistan. It is part of my organization, the most deployed force in the Army. And it is, again, fully joined at the tactical operational level.

But our systems, our legacy systems, logistical systems, intelligence systems, communication systems, battle command systems, still bear the stamp of services and not jointness.

You put your finger on it. If I want to send an e-mail to General Sattler, I can't currently as we're configured, looking at a global directory and say "Sattler," because he's on a different domain. That seems like a small thing, but that is just symptomatic.

So we have to move toward joint battle command, joint asset visibility, joint mobility systems that the men and women on the ground wearing the uniform are doing a brilliant job of using legacy Cold War systems to fight the 21st-century fight.

CLINTON: Thank you, General.

General Sattler?

SATTLER: Yes, Senator Clinton, and also, ma'am, I never had the opportunity to thank you on your last trip when you talked about the \$100-plus million to get the reconstruction effort moving in Fallujah that that money did come in not that far long after your visit. So I know you never got back in touch, but I'm sure you had something to do with that. But it was much appreciated.

To follow what General Vines said, during all of those operations, you could not have become more joined across the theater, even though the multi-national force west has the Al Anbar province, at the time when General Vines and I were there together, there was a 155 Mississippi Rifles were fighting under the MEF. That's a complete Army Guard brigade out of Mississippi. The 2nd of the 28th is in Ramadi. That brigade commands a Marine battalion underneath it, commanded, as General Vines said, by a Marine division commander.

So it's a complete shuffling of the deck of capabilities with the individual who should be in command or charge in charge, regardless of the uniform worn underneath, ma'am.

So I think, at the operational and tactical level, we do have it. It's never been better.

And the sharing of forces if we needed anything, if all we had to do was convince General Vines that you should have to convince to cross-level forces. Forces came from the cav unit in Baghdad. They came from the Big Red One up north. We were constantly passing forces back and forth.

So I think that we could do better in some of the -- mainly the command and control and communications arena, but I think we're pushing it in that direction. It just takes time because it changes so fast. And I think we get out ahead of each other with our enthusiasm on occasion, but that's the one area I believe could be roped in better.

CLINTON: Thank you.

I would continue. I have a few more questions, if that's all right.

With respect to our pre-deployment training, as you both described the way that Marines and soldiers and even Reserve and Guard units have been really integrated, how would you assess the pre-deployment training, the cross-training, the issues about whether everybody who may end up in one of those units has the combat skills or the cultural and language sensitivities, even how you deal with the threat of IEDs. How has that training changed, and what more needs to be done?

General Vines?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE JOINT STRIKE FIGHTER F136 ALTERNATE ENGINE PROGRAM IN REVIEW OF THE FISCAL YEAR 2007 DEFENSE BUDGET, 3/15/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

I appreciate your courtesy. This is a very busy day obviously here in the Senate.

Thank you, gentleman. Thank you all for being here.

Secretary England, I'm as interested in the process as the outcome, because one of the things we've tried to do in the committee is begin what is a very arduous task of trying to figure out ways we can streamline some of the procurement and acquisition processes.

And there has been testimony about the decision, but let me ask you, what examples can you point to as to where sole sourcing has been the optimal solution for a comparably large project?

ENGLAND: I would think in just about every case we end up with sole sourcing on most of our products. So, for example, we have one source on submarines. We have one source on aircraft carriers. We have one source on the F-18. We actually have one source on the Joint Strike Fighter. There's only one source.

I mean, we have one source in a lot of our products. Typically, there is a competition, or depending on the circumstance, early on in this case that decision was made in 1995 when all three of the competitors went forward with the Pratt and Whitney engine.

So the Pratt and Whitney engine is a carrier literally from 1995, but I would say the basic program itself, once we competed the program, the Joint Strike Fighter, and at that time three companies competed, ultimately one was selected. All three competed with the Pratt and Whitney engine and the selection was made, Lockheed Martin, the winner of the Joint Strike Fighter Program with the Pratt and Whitney engine.

And it was then -- frankly, directed by the Congress -- that we enter into another engine program. So we have been through that process, in my judgment. We've made those decisions and now it's a question of, do we bring in another engine manufacturer? And our judgment is that's not a wise decision in terms of either cost, or reliability, or benefit to the program.

CLINTON: Well, one of the things that I'm concerned about is the impact on the industrial base of these sole-sourcing contracts, because as you look over the horizon about the threats to our nation, to our military, maintaining redundant capability and capacity is an issue.

At least it is an issue for me, trying to figure out how we can maintain production, manufacturing capacity. And, you know, I worry that you just put this particular issue aside, that, you know, we are hollowing out our industrial base and I think that that's something that at least should give us pause.

I also realize in looking at what was said yesterday that this was a joint project with G.E. and Rolls Royce, and the U.K. minister of defense for procurements said there had not been any consultation with the U.K. until after the fact when they were informed.

That also concerns me, because I think that we want to encourage defense cooperation between the United States and our closest allies, and in fact the Joint Strike Fighter has been held out as an example of that cooperation.

But apparently there wasn't any confirmation -- or can you confirm what the committee heard yesterday, that there was no consultation with our partners on this decision?

ENGLAND: Well, that's correct, Senator, and frankly I believe that's the right decision.

This is an engine clearly being paid for by the United States government. I will tell you, given the choice, I think anybody if they can get something for nothing they'll take it. I mean, I understand that exactly.

So I would think that that's -- certainly there's interest in having a second engine because people benefit. There's industrial benefit from countries and companies. I understand that.

So no, we did not consult with the country specifically, although they were part of the Joint Strike -- I mean, they were part of the Quadrennial Defense Review.

So they're an integral part as a member of the team, but we did not have separate discussions in this regard because frankly this was an issue of our defense budget. This was not a question of their defense budget, it was a question of the money we spend and it is a question of tradeoffs in terms of how we spend that money.

So within our defense budget, if we decide to spend this, then we don't buy something else and we don't buy a ship or we don't buy a helicopter, we don't buy something else.

And we also have many requirements as part of the Quadrennial Defense Review still to be addressed. I mean, we have not yet addressed fully, far from fully, the Quadrennial Defense Review.

So there's still a lot of action items and issues still to be addressed that will need to be funded, and we will prioritize and try to balance that portfolio.

I believe, frankly, that's a decision that needs to be made in the Department of Defense. And while our friends and allies are very close and we share a lot with them, at the end of the day this is our cost decision.

WARNER: Would the senator yield -- not to take away any of your time -- because I was going to proceed on this line of questioning myself, but I'm astounded at your comment.

They were designated as level-one partners.

Now, the word partnership to me has a certain meaning which indicates a participatory management of some degree, and they also contributed a good deal toward the dollar cost of the R&D for that engine, the Great Britain did.

Was it understood when you put the consortium together that we had unilateral authority to proceed to make judgment calls of this magnitude without any consultation with an entity, i.e. Great Britain, designated as a level-one partner?

ENGLAND: Senator, this engine is in the program because the Congress decided to have this engine in the program.

This is not a fundamental technical decision for the program -- for the Joint Strike Fighter Program.

I want to be as straightforward as I can on this. This is a program that's a redundant engine. It is a second engine. It's not the primary. And the primary engine and the system being developed, the STOVL, will meet all of its requirements and delivered to the British government.

I mean, this is now -- this is an additional cost to the program and, in fact, this cost or this -- across the FYDP, this cost in the FYDP is more than the complete amount of money that's being paid for by the United Kingdom.

So their contribution to the program is \$2 billion. Just across the FYDP, this is \$2.4 billion for this program. So, I mean, they are great friends and great allies and they're going to get a magnificent airplane if they decide to buy the basic STOVL airplane.

But this is \$2.4 billion that we will not spend on other equipment or delay this program, and in my judgment that is our decision to be made.

WARNER: All right.

Well, I'll return to this line of questioning and I'll direct your attention to the August contract that you let for this second engine, some \$2 billion, to explain how this quick change of judgment.

Please continue with your full line of questioning, Senator.

CLINTON: Well, Mr. Chairman, I just wanted to conclude by again asking the secretary just to explain for me on his response to the argument made yesterday by General Electric, along with some documents that were submitted to the record by G.E. and Rolls Royce, that an engine competition would not only lead to greater flexibility but would actually be more cost effective.

And they attached a matrix that suggested an engine competition would reduce the cost of the engine by 10 percent over the life of the program. And I would just be curious, Mr. Secretary, if you reviewed this analysis and what your response to the arguments made in it would be?

ENGLAND: I haven't looked at that analysis.

However, Senator, in our analysis if you save 10 percent of the cost across the program, then it still costs us more money. In other words, that does not save money.

You never recover the savings -- that is, you never recover the cost at a 10 percent recurring cost savings.

So I haven't looked at their particular analysis, but if the analysis is 10 percent, my conclusion would be it will not end up with net savings for the program.

CLINTON: And, Mr. Chairman, just for the record if we could get a specific response from the department to the arguments made in this analysis, I think that would be helpful.

Because again, I'm interested in, you know, streamlining our process, being smart, you know, being competitive where it appears that competition is in our best interest, you know, having a manufacturing capacity that actually operates here in our country on our soil, which I think is important.

So I would appreciate it, Mr. Chairman, if we could get a response to this particular analysis.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON U.S. CENTRAL COMMAND AND U.S.

SPECIAL OPERATIONS COMMAND REQUIREMENTS IN REVIEW OF THE FISCAL YEAR 2007 DEFENSE BUDGET, 3/16/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much, Mr. Chairman.

And thank you, gentlemen. Thank you both for your service. And you carry the lion's weight as well as the hope for success in these current operations. And I'm very grateful to you both.

General Abizaid, there was a recent series of articles -- I guess two so far -- in the New York Times. One of the by-lines was Bernard Trainor.

In it, the narrative claimed that, during the march toward Baghdad, that the ground commanders wanted to stay and fight and wipe out the Saddam Fedayeen. But they were ordered to keep moving toward Baghdad.

I'd like to ask you, first: Based on your information, is that a correct statement? And secondly: In hindsight, are we dealing with the remnants of the Saddam Fedayeen in the Baathist part of the insurgency?

ABIZAID: Senator Clinton, I've heard a lot about it. I really haven't read what you're referring to, but I will tell you my take on the movement as a deputy commander up towards Baghdad.

I never have regarded it as either/or. There were conventional force commanders that wanted to divert some of their combat power to the lines of communication to deal with the difficulties that were clear down in Nasiriyah and other places along there before moving forward.

It was a good debate. It was one that was pretty open. And the way that I remember that we solved the problem is we diverted some of our special forces operators along the lines of communication to clean up some of that, and we felt that there was sufficient force to keep logistics flowing and continue the advance at the same time.

So that's what we did.

And, of course, people are always surprised that there's debate within military organizations. But when we're going our professional activity, there certainly is.

The question about whether or not these are the same Saddam Fedayeen, I don't think so.

ABIZAID: I regard this Sunni insurgency in particular as a loose amalgamation of Al Qaida in Iraq, Saddamists and people that I would call Sunni rejectionists that have taken an awful long time to get organized over time.

I think that there are some indications that some of the old structure of the Iraqi intelligence service continues to exist within Iraq and has linked Al Qaida in Iraq and some Saddamist rejectionists that are operating out of Syria, et cetera.

So some of those structures continue. But I've never regarded it as being a plan that the Iraqis had that's being carried out by structures that existed within the old regime.

I think people that had expertise about terrorism from the old regime continue to operate against us in, certainly in a much different ideological setting than they did during the Saddam era.

CLINTON: Thank you, General.

You know, General, on March 13, President Bush said, and I quote, "Some of the most powerful IEDs we're seeing in Iraq today include components that come from Iran," unquote.

However, at a Pentagon briefing on March 14, Joint Chiefs Chairman General Pace was asked that question: "President Bush said the revolutionary guards and IEDs and weapons are moving across the border from Iran. Do you have proof that they are indeed behind this, the government of Iran?"

And General Pace replied, "I do not, sir."

General Abizaid, do you agree with President Bush? Do you agree with General Pace?

ABIZAID: Senator Clinton, I know that you'll forgive me for not agreeing with either but to give you my own personal opinion about what the situation is in regard to the Iranians.

First of all, there's no doubt that there's Iranian intelligence activity throughout Iraq. Also, there's no doubt that there's Iranian intelligence activity in Afghanistan.

There's no doubt that components of improvised explosive devices that were manufacture in Iran have come across the border and got into the hands of Iraqi insurgents groups and been used against coalition forces.

I can't tell you whether or not that happened with the orders of the Iranian government, but I can tell you that terrorists in northeastern Iraq use the Iranian northwestern border to move back and forth across the border.

Is that a lack of capacity of the Iranian government or is that with the complicity of the Iranian government? I can't answer that question.

I clearly believe that the new government of Ahmadinejad is very ideological, has made an awful lot of threats and that we need to look very, very clearly and effectively with our own intelligence networks to determine how this flow is moving and who has authorized it, if anybody.

I think it's a very serious concern. I'm not prepared to say that I know one way or the other.

CLINTON: Would you say the same thing about the flow of people and weapons across the Syrian border?

ABIZAID: I'd say that the flow of foreign fighters across the Syrian border has decreased. And that's clear from our intelligence. We know that.

We know that the Syrians have moved against the foreign fighters. Why have they? Because the foreign fighters represent a threat to Syria. And they certainly don't want to have these organizations and groups operating within their own country that are ultimately going to be a threat to their own government.

ABIZAID: So out of self-interest, the Syrians have reacted in a way that has slowed the flow of foreign fighters. We've seen less foreign fighters in the country.

But unfortunately, the foreign fighters tend to be the most dangerous because they'll come in as suicide bombers, they'll get employed in Al Qaida in Iraq networks, and they will cause an awful lot of damage.

And of course, as you know, the Al Qaida in Iraq is trying to foment the civil war that everyone is working so hard to prevent.

CLINTON: I know that, before I could get here, Senator Levin asked a series of questions about whether or not Iraq was moving toward civil war.

And, you know, just earlier this week, the president announced the goal of having Iraqi forces control more territory than the coalition forces by the end of 2006.

How does that goal translate into what percentage of population would be protected by Iraqi forces? How does it translate into the placement of forces, whether the forces are going to be integrated by that time so that it will be representative of the population of Iraq and certainly not an impediment to stability operations because of difference in sectarian makeup of the population compared to the forces?

Could you give us a little additional information about that, General?

ABIZAID: Of course, General Casey has a pretty detailed plan that's classified that talks about where and how we'll hand off.

I can certainly tell you that, right now, the two divisions- worth, 13 brigades and 49 battalions of Iraqi security forces from the army that are controlling their own battlespace are fairly independent in those areas.

And we intend to increase that over time. I will have to take for the record and probably provide you with a classified answer on how that progresses into 2006. But it is clearly our intention, between now and December, to increase that pace of handing over battlespace to Iraqi units. And it will happen in those areas that are most ready for that to happen.

For example, if you look down in the British-controlled sector, down in the areas where the Australians, Japanese and Italians have been working, and those areas are pretty good. Some of them are ready to go toward police control, not just army control.

You look up in the northern areas, in the Kurdish-controlled areas, they're already in police control.

In the Sunni areas, like Al Anbar province, it's pretty much multinational forces in Iraq.

So it's hard to give you an answer that would be one-size-fits- all, but we clearly intend to turn over cities in particular more and more to Iraqi control. And it's our goal to -- I think Baghdad's 30 percent to 40 percent already in the hands of Iraqi security forces. We'll accelerate that process.

Our intrusiveness in cities has been a huge complaint that has come from Iraqis for a long time. We look to turn over more and more control of those cities -- and in many of the cities, you see less American presence on the streets, which is what you would expect and what you would want.

As a matter of fact, a lot of reporters that have not been in Iraq for a while who returned to Baghdad say one of the most striking things they see there is the absence of American forces in big numbers.

And that's by design. We intend to continue to do that.

CLINTON: Thank you.

Thank you, Mr. Chairman.

U.S. SENATOR JOHN CORNYN (R-TX) HOLDS A HEARING ON U.S. NONPROLIFERATION STRATEGY AND THE ROLES AND MISSIONS OF THE DEFENSE DEPARTMENT AND THE ENERGY DEPARTMENT IN NONPROLIFERATION IN REVIEW OF THE FY2007 DEFENSE BUDGET, 3/29/2006

COMMITTEE: EMERGING THREATS AND CAPABILITIES SUBCOMMITTEE

SUBCOMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

Well, obviously, Mr. Paul, this is a matter of great concern to us, especially in light of Linton Brooks' comments in a recent USA Today article saying that one-third of the world's 130 civil nuclear research reactors lack security upgrades needed to prevent terrorists from stealing materials that would enable them to make a nuclear device -- including even atomic bombs.

We just need to know, as precisely as you and others can lay out, how to make good on the priority that the president expressed during the '04 election -- and which many people agree with -- that, you know, preventing rogue states and terrorists from acquiring the materials necessary for nuclear weapons has to be our top priority.

Why aren't these reactors secure? And, you know, are people refusing our assistance? Are we not offering our assistance? Is there no international mechanism capable of coming in and trying to help secure these reactors?

PAUL: Well, first of all, to correct one part, I think the article could be read, could be interpreted the way that you have stated; it actually would not be completely accurate.

Administrator Brooks did not say that there were all these reactors that were without security upgrades.

Through our Global Threat Reduction Initiative and through NA-21 within the nonproliferation organization, we have a very effective program for providing the security at those reactors -- both through this administration and the previous administration, who placed attention on this as well.

We had originally identified 173 research reactors throughout the world that had highly enriched uranium in them. We started working down that list as to those that already had security upgrades with countries such as France and Canada, who take care of their own security.

And what we came up with was a list of about 106 that needed additional security upgrades and downblending from high-enriched uranium to low-enriched uranium. And we have performed those upgrades at a total of 76 sites.

Of the remaining 27 research reactors, they're currently upgrading six of these that we're working on: two in Chile, one in Mexico, Russia, Vietnam and Peru. And of the remaining 21, we have identified four new sites where security is not adequate, but we work on access.

As you know, this requires cooperation, and this subcommittee and the committee have helped us in highlighting the focus and attention on that -- and that helps us get some access. But it's hard to get into some of these sites.

But I can assure you that we are on top of these sites. We have made security upgrades in most of them. We have a program in place to downblend the uranium in them.

And as to the small number of sites that we believe need security upgrades and that we don't have access on, we are working very hard to get that access through the international regime and through other contacts and through the IAEA.

Thank you for the question.

CLINTON: I appreciate the update on that, and obviously, as you said, this subcommittee and then the full committee are very concerned and focused on this.

So any additional authority, any additional resources, I hope that you will let us know. Obviously, that has to remain one of our top priorities.

PAUL: By the way, on the small list of other sites where we don't have access, we could provide you -- in a different setting -- some information on those.

CLINTON: Thank you very much.

Mr. Paul, I want to follow up on some questions that I asked Secretary Bodman back in February when he testified before the full committee and we had a chance to discuss the Global Nuclear Energy Partnership.

During that hearing, the secretary said he would get back to me with answers to some of my questions. I haven't yet heard back, so I'll ask similar questions to you, and I hope that I will hear back from one or both.

Now, I believe that GNEP is a well-intentioned proposal to help meet the energy needs of our country and our allies and be part of a comprehensive strategy to reduce our dependence on foreign oil.

But I have some serious concerns about the program, which would create a global system of nuclear reactors and U.S. reprocessing plants over the course of decades that could cost tens if not hundreds of billions of dollars. And I am concerned about independent research that contradicts the administration's underlying claims that provide the rationale for GNEP.

I have two questions. First, studies by the National Academy of Sciences, MIT, and even the Department of Energy itself, have pointed out worrisome risks with the program.

First, we know reprocessing spent fuel creates plutonium, which can be used not only in civil nuclear energy reactors, as laid out in the plan, but also to make nuclear weapons.

The U.S. has consistently opposed reprocessing, even for our allies such as France. And while we focus on how to deal with Iran's quest to develop nuclear weapons and what to do about a nuclear-armed North Korea -- a country which as you know does use plutonium in its nuclear weapons -- I would ask, first: How do you respond to the questions and the risks laid out by the independent analysts? And do you see a contradictions between GNEP and our global nonproliferation goals?

PAUL: Not only is there not a contradiction, the two are absolutely critical for the success of each.

It is certain that the world will supply the more than doubling of the demand for nuclear power globally over the next four decades through the use of the science of the atom. The rest of the world has concluded that; that's no longer a decision for American to make, quite frankly.

The rest of the world, in order to do this, will continue to make use of the nuclear fuel cycle and will continue to recycle fuel. We no longer in America have a decision on whether that will occur.

What the Global Nuclear Energy Partnership does do, however, is provide a narrow window of opportunity where, through leadership, America can guide that in a way that improves our nonproliferation regime globally and improves the proliferation resistance of those fuel cycle processes themselves.

It is through our research and development and technology and support that we have been able to provide some enhancements to the current PUREX processes that is the current methodology whereby the fuel cycle states reprocess fuel now.

GNEP proposes a form of recycling that gives enhanced proliferation protections, does not separate plutonium. Current recycling separates plutonium into a pure stream.

What GNEP is proposing is a different model whereby plutonium is not separated into a pure stream. It continues to have these other actinides and lanthanides connected to it.

On a global setting, as I said, the rest of the world has come to the conclusion that nuclear power will be an important part of providing energy supply -- not just to America and to allies, but also to those countries who aren't our allies, who want the peaceful use of the atom.

GNEP is an opportunity to allow the peaceful use of the atom, the use of nuclear energy for energy purposes, but do it in a way so that you bring together a partnership of countries whereby those who don't have a fuel cycle can access the energy without accessing the capability that can be converted into a military threat.

That is a notion that is as old as President Eisenhower's speech in 1953 before the U.N. Assembly, and we have made some progress on it.

GNEP puts together all of these pieces, and we've been very encouraged by the support that we're getting from the global community, not only from the potential supplier states -- Russia, China, Japan, France, the U.K., and the IAEA Secretary ElBaradei -- but also from potential recipient-states, those states who might say that if we had a mechanism to access nuclear energy without developing a recycling capability in-house, we might go in that direction. Let's sit down and talk.

It's very encouraging.

CLINTON: Could I just have a follow-up on that, because as I understand the critique from various nonproliferation experts, including the MIT study that I mentioned earlier, the so-called proliferation resistance reprocessing system that GNEP claims it would promote is proliferation-resistant only in comparison to other methods of reprocessing, -- not as compared to the original spent fuel.

The spent fuel itself is actually far more proliferation-resistant than GNEP-reprocessed plutonium, because it's too radioactive to be handled safely by terrorists.

So in other words, the experts claim that the GNEP program would actually make it easier for terrorists to steal dangerous material to use in an attack.

And, you know, we're about to embark on an undertaking that could very well cost hundreds of billions of dollars. And I'm well aware of the desire on the part of many countries, including the administration here at home, to promote nuclear civilian use for energy purposes -- but I'm just worried about the trade-offs here.

You know, I mean, if we spent hundreds of billions of dollars refining coal gasification, we would provide clean coal without providing spent plutonium as a potential terrorist attack.

So, I mean, how do you make that trade-off?

PAUL: Fair question.

First of all, the purpose of these other countries in accessing the science of the atom is to provide energy. It's not to develop or promote nuclear power. It's to have electricity for hospitals and for our first responders and for schools.

CLINTON: Well, it's nuclear power to fuel electricity.

PAUL: It's to have electricity and to find a way to provide that electricity in the cleanest, safest way. And they have come to nuclear power as the one zero-emissions method for doing that.

Now the question is: Can America provide the leadership to help that new partnership be crafted globally so that it is more proliferation-resistant?

Now I think we share common concerns and goals. We may not share all the same conclusions as to the quote/unquote, "proliferation resistance" of one chemical process as opposed to another based upon a spent fuel standard.

First of all, that process that you're talking about already exists. It's what all of those countries are currently using. So to go back and say, "Well, let's compare it to not doing recycling at all" -- quite frankly, we don't have that opportunity anymore.

The rest of the world is recycling fuel and will continue to recycle spent fuel. The question is: Can we come up with a way that's even better? And can we be a player by asserting leadership?

And we think that we can. And the global partners that we've spoken to also think that, through this partnership, we can show leadership to provide a more proliferation resistant process.

Some of the studies that you're referring to, or some of the comments, have as their predicate certain assumptions that don't necessarily apply. You can design a recycle process through UREX to have whatever radiation level protection that you want, if that's the sole way that you're going to define proliferation resistance.

But proliferation is something, and nonproliferation is something, that is far greater than a mere radiation dose level at 100 rad or rem per hour, or 80 to 100 spent fuel standard. You can have UREX that is at that standard, if that's your goal.

But the safeguards technologies that America has developed and helped these countries to deploy even on their PUREX processes, has moved far beyond these earlier standards.

We have the opportunity to shift them to a more proliferation- resistant process that does not separate out plutonium and that provides safeguards and securities, verification technologies, and mass accounting that is available with this process that is not available with others.

Remember that when you keep that plutonium entrained with other isotopes, the lanthanides and the other transuranics, you have signals, signatures, additional tools that a nuclear engineer can use to ensure that there is not diversion -- tools that I do not have available to me with PUREX.

CLINTON: Thank you, Mr. Chairman.

[GAP - FROM LATER IN THE HEARING]

CLINTON: Thank you, Mr. Chairman.

I want to follow up on the line of questioning first by the chairman and then by Senator Reed.

Mr. Paul, with respect to the cost of the U.S.-Russian disposal program, what is the approximate cost? What are we talking about when you say that the Russians won't do it the way we would prefer unless they're paid for it, and the international community may not want to bear the cost?

What are we talking about in terms of dollars?

PAUL: For the Russian program?

CLINTON: Right.

PAUL: Or the Russian side? I'm hesitant to quote an exact price from their recent validated baseline. I'm thinking \$2.7 billion is what they're saying.

CLINTON: So we're talking about \$2.7 billion?

PAUL: I believe so.

CLINTON: And where is the source of that money if it comes internationally? Who contributes to that \$2.7 billion?

PAUL: I believe that France has made a pledge of a few hundred million dollars. I don't know the exact number. I can get...

CLINTON: Yes, I'd like...

(CROSSTALK)

PAUL: ... a few hundred million dollars, because the MOX technology is of French origin. I shouldn't say that's why, but there is a connection there. They actually have that technology.

So the French have made a commitment if the fuel were MOX. There are a few others who have not made firm commitments, I believe, but have said that if the project goes forward, they would be interested in making discussion.

I don't know exactly how much money has been firmly committed by the international community. It's something that I will get to you.

It turns out I do know how much.

(LAUGHTER)

CLINTON: Thank goodness for those people who sit behind us.

PAUL: Turns out, I'm told, that we have pledges totaling \$844 million.

CLINTON: Will this be an issue for the president to raise at the G-8?

PAUL: I think that it is. It's something that we've discussed, anyway, about having that be mentioned, and it is a matter, and nonproliferation cooperation is something that the president has mentioned in international fora in the past.

I think this is an issue that the Russians will -- I don't about MOX specifically, but nonproliferation efforts is something that I believe that Russia as chair will raise as well.

CLINTON: We might want to emphasize that, Mr. Chairman, because I think, you know, your questions really go to the heart of whether the single biggest threat, the one that we were most interested in trying to address over the last several years, will be addressed and finalized at some point.

So maybe we could follow up on that.

PAUL: I appreciate that thought, too, on the G-8 summit. I will follow up with that. I will also get you a breakdown of the \$844 million to tell you which countries have made those pledges.

CLINTON: I appreciate that, Mr. Paul.

Let me follow up on the line of questioning by Senator Reed.

You know, when the panel describes the various entities that are now part of our threat reduction, nonproliferation strategy, it really does sound like alphabet soup. I mean, it sounds that there are lots and lots of cooks in the kitchen. And when everybody's in charge, nobody's in charge.

And I'm concerned about duplication, I'm concerned about gaps, and I think it would be useful to get a matrix that actually lays out who is responsible for what, how they interact, what shared lines of command there may or may not be.

I very much appreciate the work that everyone is doing on this but, for example, Mr. Paul -- not to pick on you -- the Department of Energy's global initiatives for proliferation prevention program is incredibly important to ensure that WMD experts from various countries are redirected to peaceful jobs, don't end up in Iran or, you know, you name it at this point.

However, I'm also aware that the Department of State program that is focused on similar objectives. Are these programs duplicative? Are they complementary? What mechanism is in place to ensure proper coordination?

And this is just a tiny example of what I see as a very, you know, sort of broadly dispersed responsibility on the biggest threat we face.

PAUL: Well, it's a good question and a good point.

They are complementary, but if you weren't on top of them day in and day out and making sure that you have good coordination and communication, they could stumble over themselves. The programs for proliferation prevention and the complementary State program is something that this administration and the previous administration both supported, and it has been very successful.

But there is the potential for them to stumble over each other. That hasn't happened; we've worked very well together using the State Department's centers, if you will, for collecting the technical capabilities -- and our piece, which is more deploying it into the nuclear weapons facilities.

We look for scientists -- whether it be in Russian scientists, former Soviet Union scientists, Libyan, Iraqi scientists -- and we go out and try to link them up with peaceful uses, as I know you're familiar with this program.

The State Department kind of maintains a clearinghouse of that but, quite frankly, you are making a very good point that if you didn't communicate, if we didn't have such good relationship between our program and theirs, it could be difficult to manage.

CLINTON: Well, I really appreciate that.

And as I say, maybe, Mr. Chairman, our staffs could work with our witnesses and others to put forth that kind of matrix -- because, you know, everyone gives lip service to the fact that this is the most dangerous threat we face, and there are lots of those cooks in the kitchen, and I just want to know who the chef is and who the point person is. And it's, you know, it's in DOD, it's in State, it's in DOE.

So it would be helpful, at least to me, if we could try to sort that out.

My final question would really go to each of you, which is to add a layer of further complexity on this.

We do have the International Atomic Energy Agency. And the IAEA, you know, is responsible for promoting peaceful uses of nuclear technology and then ensuring, insofar as possible, that those technologies are not used to develop nuclear weapons. And it does so largely in its role as a watchdog.

Increasingly, the IAEA is playing a major international role. It, frankly, has credibility that sometimes we and our allies lack. It has access -- as it now does, for example, to Iranian nuclear sites -- that, you know, we could only dream of.

And I worry that we're not doing enough to bolster and support the IAEA and that there developed a kind of antagonistic relationship for all the reasons we know.

So let me ask each of you, starting with Secretary Flory: Is there more we could do to help bolster the IAEA by, for example, sending more U.S. personnel to Vienna, or helping to provide technology, or working better to coordinate with them?

Because I think, increasingly, we're going to need an agency like that -- given what is, I think, the appropriate warning or caution that Mr. Paul gave that we're on a fast march toward nuclear proliferation.

And I wish we could do more to rein it in. I think there are some things we could do. It may or may not be inevitable, but the fact is it's happening.

So what do we do to really bolster the IAEA as a necessary component of our efforts to try to watch that and prevent it insofar as possible?

FLORY: Senator, you raise a very good point.

The IAEA plays an extremely important role, and after decades, when it was there and frankly didn't get a lot of attention because things were kind of moving along, it came into worldview first after the first Iraq war where it was learned how much Iraq had been able to accomplish while under IAEA scrutiny.

And that led to the development of stronger safeguards by the IAEA -- and most recently in the case of Iran.

In terms of resources and things like that, I think -- I don't know if I'm allowed to do this, but if I can take your question for the record vicariously on behalf of Bob Joseph, who was unable to be here...

(LAUGHTER)

... I'm sure he'll appreciate my doing this. But State is the lead. And we'll obviously be happy to contribute to answering that question in any way we can. But since it's a diplomatic mission, they probably are the best people to pull together an answer.

I think what is tremendously important is that -- and this is again something that the State Department is in the lead for us -- is that the matter of Iran be handled successfully. I mean, the IAEA has grappled with this under the leadership, for much of that time, of a particular group of members -- but as you mentioned, it's focused attention on the IAEA.

And I think it's important for the internationally established safeguard network that the international system that we're working with be able to solve this problem.

CLINTON: Thank you.

General, do you have anything to add to that?

CARTWRIGHT: I would just say that there are certainly things that we can do in partnership. The obvious ones are training, standards, technical experts, and making sure that we're on a common sheet of music, so to speak, in advocating for those standards -- and, once they're accepted, then advocating globally for them.

Those are critical pieces. There are also pieces that we probably, in another session, we ought to sit down and talk a little bit about what we could do to assist them in setting the conditions for their ability to do their job.

CLINTON: That would be very helpful. And I'm sure that you've given thought to that, and it might be something that we could look at.

PAUL: That's actually something that the president has focused on quite a bit, increasing the funding for the IAEA, continuing to provide the technical basis and support that the IAEA and Secretary ElBaradei need.

Every one of the more than 200 nuclear weapons inspectors at the IAEA were trained at Los Alamos National Laboratory here in America. Here, within the National Nuclear Security Administration, we're very proud to continue to fund that training. They come here to learn how to do what they do to keep the world safe.

We led the way to strengthen the agency's ability to detect nuclear proliferation, and we instituted a successful effort to increase the safeguards budget.

The United States of America is the single largest contributor to the budget of the IAEA. In fact, we are even a larger contributor by percentage basis to the IAEA than we are to the U.N. We provide a quarter -- there's 128 members of the International Atomic Energy Agency, and we provide one quarter of all the funding.

We also provide, on a rotational basis, a lot of our technical experts from our national laboratories, and with Ambassador Greg Schulte, our recently sworn-in ambassador to the UNVIE, the U.N. mission there, along with our office, our DOE office there, and we have engaged in an effort to increase the number of U.S.-origin persons and experts that go to the IAEA and work internally.

It's something that I've spoken personally with Director ElBaradei about. I have one deputy director general on his board who is American, who's actually the deputy director general for management for the IAEA, and I am in a process right now of increasing the number of technical experts that we send over there.

These are excellent points and they are things that we are working on on a day-to-day basis. And I think that it's a good testament to the leadership of the president, the leadership of Director ElBaradei.

We've made some progress, but we can do more.

CLINTON: Thank you. Thank you very much, gentlemen.

Thank you, Mr. Chairman.

DEMOCRATIC MEMBERS OF CONGRESS HOLD A NEWS CONFERENCE ON THE DEMOCRATIC SECURITY AGENDA, 4/25/2006

CLINTON: Go vote.

Well, it's great to be here with our colleagues from the House. And I want to thank Ed Markey for his leadership on these issues, going back literally decades. He and I have

worked together on dirty bomb legislation, which has been an obsession for both of us, and it's something that we just keep bringing up because we don't think that we are doing enough to protect against the potential of radiological and nuclear attack.

And I want to thank my friend and colleague Jerry Nadler. He has as good an understanding of what we need to do to protect our transportation infrastructure as anybody in the country.

And I want to congratulate you, Jerry, on once again getting an amendment that sort of sets the bar. And we're all going to try to not only support you in the House, but comparably get the same kind of legislation through in the Senate.

Senator Menendez and I, Senator Schumer, Senator Lautenberg are all focused on making sure that we do get real port security provisions in the supplemental.

CLINTON: It has been frustrating, to say the least, because this has gone on now for four and a half years, where many of us have repeatedly introduced legislation, amendments, to try to get the resources and the focus on port security that we know we need.

The controversy over the Dubai Ports deal at least elevated this issue very high in public consciousness, but now we've got to deliver. It's really unfair to raise the legitimate specter of the dangers that we believe stalk our ports because of our inadequate response and then not do anything about it.

And as has already been said, we know what it takes to do it right. Other countries, other ports around the world are inspecting every container. They are much more focused on the kind of outcomes that we want here at home.

Similarly, we are joining our homeland security, port security agenda with our energy security agenda, because they go hand in hand. We are at greater risk in our country because of our dependence on foreign oil, our stubborn refusal to move toward a program that would lead eventually to more self-sufficiency.

So the Democratic leadership will be pushing energy security at the same time.

The president gave a speech today about gas prices. It was, in my view, too little, too late. We called for an FTC-Department of Justice investigation last summer.

Some of you might remember trekking with us over to a gas station on Capitol Hill to have a Democratic press conference laying out a specific plan about what could be done to bring down gas prices.

Once again, for political reasons, the administration and the Republican majority are hopping on the bandwagon, but they are not going to ride it very far unless they come up with a real legislative agenda that includes investigating these unconscionable price spikes and profits; doing what I have urged, which is to require the oil companies to be part of the solution, not part of the problem, by investing in alternative energy or being required to pay some of their profits into a strategic energy fund; doing what I have recommended of setting up a DARPA-like agency in the Department of Energy that would be adequately funded to do the kind of Manhattan Project research into energy alternative, and put this on a fast track.

CLINTON: So Democrats have ideas about what to be done. We welcome the president, belatedly, to a real debate about what we should try to accomplish. But we need more than a speech, we need more than a line in the State of the Union, we need specific legislative recommendations that the White House will get behind and make sure we get enacted as soon as possible.

So it's my great honor now to throw the ball to Senator Lautenberg...

NATIONAL PRESS CLUB NEWSMAKER BREAKFAST PROGRAM WITH SENATOR HILLARY RODHAM CLINTON (D-NY), 5/23/2006

Let's welcome Senator **Hillary Rodham Clinton** to the National Press Club.

(Applause.)

SEN. **CLINTON:** Thank you. Thank you very, very much, Jonathan. I don't have time to rebut everything you've said in your introduction. (Laughter.) But I cannot let stand that I have ever, ever been a Mets fan. (Laughter.) I have to set the record straight. Cubs and Yankees. Those were my teams and remain my teams, growing up and now in my more mature years.

It is wonderful to be back here at the Press Club. And I thank you for the invitation. I am delighted to have a chance to talk about an issue that is not going away. And it is not just about gas prices, because we've been here before. We've seen gas prices go up and the country scurry around trying to decide what to do to wean ourselves from imported oil, to be more self-sufficient, only to have gas prices fall and everybody just forget about what we need to do to protect ourselves going forward.

So we've been hearing a lot about energy policy in the last several months, and I was thinking about my own very first encounter with the problems that we are coping with today. About 35 years ago, I was in law school and I edited a paper for a fellow student who was writing about an obscure organization that I had never heard of, which would soon, he posited, be very important to the world's economy. It was called OPEC or something like that.

And I've never forgot (sic) that because, like most Americans, I had grown up with very cheap gas. My late father used to love gas wars. He would drive for miles. We'd get in the car. We'd spend hours looking for 20-cent gas. And sometimes you'd get to one corner and there'd be this gas war going on, and, you know, the Sinclair station would be at 20 cents, and all of a sudden the Esso station would be at 19 cents. My father lived for that.

So from my perspective, you know, energy had never been a problem. Other than, you know, being told to turn off the lights when you left a room and turning down the thermostat at night, I was like most Americans -- not really tuned in to what it could mean if we let our

energy future basically be determined by interests and forces outside of our own country and our own authority.

So while the security and the environmental challenges of our reliance on high-priced mostly imported oil are very real, it is the economic challenge that is most visible to every American -- those higher gas prices, rising inflation, and now higher interest rates. So Americans today are once again feeling the effect of runaway oil prices and the failure of our energy policies.

Now, there are no easy answers to the complexity of this problem, but I believe that we can get our arms around it. It will take a well-funded, comprehensive approach with staying power. Government has to change basically our "do nothing" policies. Businesses have to be part of the solution, not the problem, and provide accessibility, efficiency and innovation. And we, as citizens, have to do much more to reduce our dependence on oil and begin to conserve and demonstrate more energy efficiency. We can't just point fingers and sort of place blame on anyone else. Foreigners over there, oil companies over here -- the ball is in our court. It is up to us to act and to act soon. It is going to require a virtual revolution in our thinking about energy and in the actions that must follow.

Now, energy is at the heart of the three great challenges we face as a nation. How do we keep our economy strong in a more competitive world? How do we keep our communities safe in a more dangerous world? And how do we protect our values in a rapidly changing world?

Our present system of energy is weakening our national security, hurting our pocketbooks, violating our common values, and threatening our children's future. Right now, instead of national security dictating our energy policy, our failed energy policy dictates our national security. We would never leave 10 percent of our military or intelligence assets vulnerable to an easy attack, but that's what we've allowed to happen with oil.

Just one terminal in Saudi Arabia handles about one out of every 12 barrels of the world's oil exports. That's enough to trigger a new crisis beyond the scale of the 1970s, if it were cut off. One terrorist attack has already been foiled there, and other threats have been made.

We would never deliberately put ourselves in a position that allowed Iran to believe that because of its oil reserves it is invulnerable to sanctions for its dangerous nuclear program, or for Sudan to think that China will protect it from the consequences of genocide in Darfur in return for access to oil, or for Russia to use its energy policy to pressure its smaller neighbors. But as world demand for oil pushes prices higher and intensifies the competition for future supplies, those are just some of the consequences of our present energy policy.

Energy, we all know, is essential to our economic security, and the trend lines are terrible. Petroleum imports accounted for nearly one-third of our trade deficit last year. Now, that does hurt everyone, it does have economic consequences in the short, medium and long term. Some industries face immediate threats. Every penny increase in gas prices costs U.S. airlines \$180 million. Now imagine what will happen if, as predicted, costs continue to double every five years. High energy costs burden business and diminish our competitiveness, and they're also a strain on families. When energy prices are rising faster than incomes, every family feels the consequences, but our most vulnerable families feel them the worst. Almost one in three low-income families have skipped mental or dental --

medical or dental care, and almost one in four have missed a rent or mortgage payment because of energy expenses.

And finally, our values demand that we be good stewards of the planet for our children and our children's children. We are failing that simple moral test if we continue to stand by as the Earth warms faster than at any time in the past 200,000 years. I have seen firsthand and have heard from the natives in places from Point Barrow, Alaska, to Svalbard, Norway, about the consequences of global warming.

And now, thanks to former Vice President Al Gore, who has been a committed visionary on global warming for more than two decades, everyone can see those consequences for themselves at a local movie theater.

But this is not a time, I would argue, for handwringing or despair, despite the formidable challenges we confront. We can fix these problems together by changing to a clean energy future fueled by innovation and efficiency. And of course the alternative is pretty stark. If we don't change, our problems will only worsen. The Department of Energy forecasts that demand for oil worldwide will rise more than 30 percent by 2025; carbon dioxide emissions from energy use will rise almost 30 percent over the same period.

So our economy and our environment cannot afford the status quo. And we can start not just looking at the problems, debating the problems, but understanding what prevents us from dealing with them, and I think that there are two myths that still block us from action and that boil down to the idea that we as individuals, as communities, as businesses, even as our country, are basically powerless. You know, that kind of fatalism is just wrong. I would also argue it is un-American.

First, too many people are still stuck on the idea that we will struggle for a very long time, hurt our economy and lose jobs if we try to change the way we fuel transportation and provide electricity to our economy. But if we look at the evidence, that myth just does not hold up. In fact, the present crisis offers us a great opportunity to improve the lives of all Americans with more predictable energy prices in a cleaner environment with technology-driven job growth and new economic dynamism. And the sooner we start, the sooner the benefits will kick in.

Denmark now gets 20 percent of its power from wind. Brazil makes enough ethanol to power 40 percent of its cars.

Britain switched to clean energy technologies, has created hundreds of thousands of jobs in the last five years, while GDP has risen. And the UK has hit its Kyoto targets to reduce greenhouse gases ahead of schedule. We are now spending far more on military security in the Persian Gulf than it would cost to jump-start a clean energy future with all the benefits in new jobs, enhanced security and reduced global climate change.

Here at home, energy guru Amory Lovins estimates that taking steps to eliminate our oil dependence will actually save the U.S. economy tens of billions of unproductive dollars per year by 2025, and that doesn't even count the benefits for our security and the environment.

Now, this can't happen overnight, and it does require a major change in policy and attitude, not just in the government but also in the private sector and, indeed, in each of our lives. But we need to resist the idea that kicking the oil habit will wreck our economy. In fact the greater risk is that we will wreck our economy by failing to kick the habit.

Second, we need to discard the myth that conservation can't play a large role in our transformation. The easiest way to reduce our dependence on oil immediately is to use less. Now, for some it's become almost fashionable to make fun of conservation. A few years ago, Vice President Cheney famously mocked conservation as nothing but a, quote, "sign of personal virtue," irrelevant to our national energy needs. Now, the truth is that conservation is not just a personal virtue, but an important part of any sensible energy policy.

We worked our way out of the last big energy crisis in the '70s and early '80s almost entirely through conservation. From 1977 to 1985, our economy grew by 3 percent a year, while oil use dropped 2 percent each year, driven by the increasing efficiency of our vehicles, our appliances, our businesses.

Think about this. If we got back on that pace today, it would take less than three years to reduce oil consumption by an amount equal to what we import from the Persian Gulf.

The opportunities are overwhelming. About 80 percent of the energy potential of oil is wasted in internal combustion engines. More than half the energy potential of coal is wasted in traditional utility plants. Almost all of our homes and commercial buildings could use energy more efficiently.

American business knows something the vice president needs to find out. Conservation is about efficiency, about doing more with less, not doing less with less. Companies like General Electric and Dow Chemical have made major efforts to improve energy efficiency, and they've seen major improvements in their bottom line.

Six months ago, I outlined a set of proposals in a speech to an enthusiastic group of clean energy venture capitalists. It's called the Clean Tech Venture Network. They're actually investing money in this new energy future, and they're being joined every day by more and more smart investors.

Today, I want to suggest a concrete goal of reducing our dependence on foreign oil by at least 50 percent by 2025. That would be a reduction in oil consumption of just under 8 million barrels a day. Now I believe a 50 by 25 initiative will energize our economy, not undermine it. And how will we get there? Two words -- innovation and efficiency. They encompass the three major tasks that I want to discuss today.

First, we need to convert our liquid fuel base from oil to biomass. That can reduce our consumption by 4 million barrels a day by 2025.

Second, we need to change our reliance on high carbon electricity sources to low carbon electricity sources through innovation in renewables, such as solar and wind, as well as carbon dioxide sequestration.

The third task is efficiency; getting much more from the cars, buildings, power plants, manufacturing processes we have. Just by major efficiencies in cars, expanding hybrids,

getting more fuel efficiency from trucks, industrial and residential sources, we can reduce consumption by another 4 million barrels a day.

Now, efficiency will start us down the road to a better energy future, but an independent clean energy future will require dramatic innovation. The possibilities are greater than ever for governments, science and industry to succeed. For example, scientists estimate that the wind potential of just three states -- Texas, Kansas and North Dakota -- is equal to more than half of the electricity we consume today. California could meet half of its power needs from solar alone.

Technology is finally bringing down the prices and making these innovations closer to commercial application every day. Wind is the fastest growing power source in our country and worldwide. It's now competitive with coal in areas where the conditions are right. Both solar and wind costs drop by one-third every time capacity doubles, and that's now happening about every two years. Last year, power generated from solar cells increased by 57 percent, and many states are making big bets on alternative energy from solar arrays in Arizona to wind farms in Maine.

In Upstate New York, there is a new wind farm that's gone in on the acreage that has until now been primarily devoted to dairy farmers, and it's got enough wind power to provide electricity to 50,000 homes.

And it also, by the payments that it makes to the farmers, guarantees the farmers can stay on their land.

But we can't just wait for innovation. Just like the Manhattan or Apollo projects, it takes focused and dedicated resources to make it happen. That's why today I'll be introducing legislation for a strategic energy fund. We need a serious commitment from government to prioritize advanced energy, and a commitment from our oil companies to reinvest their unanticipated profits into our shared energy future. I want the oil companies to be part of the solution. Last year, the top six oil companies had combined profits of \$113 billion, more than the annual income of 170 countries. Now, Exxon Mobil had, you know, the highest profits in corporate history. Yet, when CEO Lee Raymond was asked about how much his company had invested in alternative energy over the last decade, his reply was, and I quote, "a negligible amount." Well, that's unexcusable. You know, the oil company is making \$300 million a day, not because they planned on it, not because of great managerial expertise, but because of escalating world demand and, therefore, increasing prices for their commodity that they didn't create in the first place. I think it's time that we made sure they put a fair share of their profits toward a sound energy future.

Last month I joined with colleagues in writing the president to ask him to support Senator Cantwell's legislation to make price gouging a federal crime in our oil and gasoline market. Now, we still haven't heard back, but I want to reiterate that call today. But we can do better than that, and here's how. We need to reform our energy taxes so that large oil companies who reap huge benefits from unexpectedly high energy prices over the next two years will be required to pay a portion of their profits into the strategic energy fund. Basically, if you take an average of their profits from 2000 to 2004, you add a 10 percent figure on top of that, then you can get to a point where those profits for just two years would be invested in the strategic energy fund.

Now, the oil companies would have the option, they wouldn't have to invest if they did this themselves, if they began making investments in biofuels, in other forms of renewable energy, in new, cleaner refining capacity -- solar, wind. If they did it themselves, then they wouldn't have to pay into the fund. And we ought to repeal the tax breaks that even the oil companies have told us they don't need, and put that money into the fund as well.

With prices, profits and with these tax breaks in the fund, you could raise about \$50 billion, more than enough to begin the energy revolution that we need.

Now, some of that money should go to reforming our tax code into an incentive, not a disincentive, to invest in clean fuels and diversify our energy sources.

Right now our tax policies are totally upside down. We give large tax breaks for oil exploration far from our shores and limited tax breaks for installing biofuel pumps at America's gas stations. We give consumers better tax breaks for buying humvees than for purchasing hybrids and using clean energy.

So I support comprehensive legislation that would overhaul our energy taxes; signal the market we're in this for the long run by extending for 10 years the production tax credit; spur demand by doubling consumer tax breaks for hybrids, clean diesel and other advanced vehicles; and create a new tax incentive for fleet owners to purchase more efficient vehicles; speed the development of cellulosic ethanol by providing loan guarantees for the first billion gallons of commercial production capacity; ramp up the availability of ethanol by providing gas station owners with a 50 percent tax credit for the cost of installing ethanol pumps; and then extend and increase tax incentives for homeowners and businesses who will make their homes and businesses more energy-efficient. There's a lot of good information out there about how to do it, but unfortunately not much incentive to do it.

The strategic energy fund would allow government and business to work together to help solve some of the toughest scientific challenges that we have to deal with when it comes to energy and climate. You know, we have the National Institutes of Health that promotes partnerships for innovation. We ought to have something like a National Institute of Energy.

That's why last September I proposed a research agency modeled on DARPA, the Defense Advanced Research Projects Agency. And I was delighted that later that fall a National Academy of Science report endorsed the concept.

Now, DARPA was created after Sputnik went up and the entire country just reacted as one. How could this happen? It was a very unwelcome surprise.

Well, it was created with the idea we would bring our best minds together, our universities, our business research labs, as well as government, to try to figure how out to jump-start and get ahead of the Soviet Union when it came to space technology.

Well, it succeeded, with stealth technology and global positioning satellites that empower our military, as well as a few surprises that today we all live with, namely the Internet and even the computer mouse.

Now, we'll never find the equivalent of stealth technology for energy if we don't look for it. Since 1978, federal and private spending on energy-related research and development has fallen more than 60 percent. I propose that over the next five years we devote from the

Strategic Energy Fund \$9 billion into this Advanced Research Project Agency for Energy. We encourage creative, competitive projects. We think outside the box. We tell young inventors who maybe nobody's ever heard of before that there'll be prizes for inventions that can help us move more quickly on the path to energy independence.

We also need to put the enormous purchasing power of the federal government to work to help create markets for renewable electricity, more efficient vehicles and appliances and biofuels. Federal buildings should be designed -- whenever possible and then retrofitted as well -- to meet the highest green building standards. By 2010, we should require that the federal government purchase the most efficient cars made. That would create an annual market of more than 60,000 vehicles to spur continual improvements in technology. By 2013, we should require that 10 percent of federal electricity purchases come only from renewable sources, and by 2020, we should reduce federal oil consumption by 40 percent. I'm very proud that in New York, the Binghamton Federal Building was the first in the country to purchase 100 percent of its electricity from renewals.

Now, we can do all of this, and there are so many exciting developments -- you know, if I'd been here five years ago or 10 years ago, I couldn't have sit up here and said we can do this because we hadn't made some of the breakthroughs, and it would have been a much more difficult path. Yes, we could have done it, but it would have been much harder than what I believe is possible now.

You know, wind and solar power are terrific examples. Right now, there's a two- to three-month backlog of orders for solar cells, like the kind that are in the Clinton Library in Little Rock. And wind is the fastest-growing source of energy, and one of the largest solar power systems in the country is at the Marine base in Twentynine Palms, California, generating 10 percent of the base's needs. We need a renewable portfolio standard to require 20 percent of electricity produced from wind, solar and other renewables by 2020.

Now, there is so much money to be made from this, and a couple of visionary companies have really gotten out ahead. I want to applaud GE for its extraordinary commitment to a new energy future. GE will sell this year \$3 1/2 billion worth of wind turbines, and expect sales to reach \$5 billion next year. That supports jobs in four states, including my own. Investing in renewable energy creates more jobs than other energy investments -- 40 percent more than a comparable investment in coal, for example.

Now, companies from Europe and Japan are flooding into energy markets that were pioneered by Americans. I don't want to lose either that technological edge or the jobs and exports that come from that kind of commitment.

Now, we can also make a gallon of gas go a lot further. You all have been reading and hearing a lot about the use of homegrown energy; clean diesel and ethanol made from corn, sugarcane, cellulosic materials. We have an underused resource, American farmland, and rural communities across our country eager to try something new and do their part to help solve our energy problems.

Today, we have 97 biorefineries located in 19 different states with the capacity to make nearly 4.5 billion gallons of ethanol. Now over the next 12 to 18 months, we will increase that capacity by 50 percent, and we're seeing it in New York as we're seeing it around the country. But think about that. We have the capacity to make nearly 4.5 billion gallons of

ethanol, but that is a long way from helping us deal with our gas problem. We need to be moving on a much faster track, and last week, I met with the CEOs of the Big Three auto companies. They are enthusiastically ramping up production of FlexFuel vehicles, but there's hardly anywhere in the country to get your vehicle fueled if it's FlexFueled.

So we need to take immediate steps to make sure that the rapid expansion in biofuels continues and that we not only have the vehicles that can run on ethanol, but we have places where you can get them filled. Right now, there are more than 5 million FlexFuel vehicles on the road. Their owners may not even know it. Automakers could start with a good news recall to let owners know what's under their hoods and where to find a biofuel station. We should put a billion dollars from the Strategic Energy Fund into research aimed at unlocking the full potential of cellulosic ethanol. We can expand loan guarantees to help the first 1 billion gallons of cellulosic ethanol capacity come on-line, and I think we've got to action on this pump issue or we're just spinning our wheels, so to speak.

I propose that we have ethanol pumps at 50 percent of gas stations nationwide by 2015 and 100 percent by 2025. Obviously, these are goals; I hope we can go even faster. We should be requiring the big oil companies to install ethanol pumps at all the stations they own. We should also provide a tax incentive to the independence and other owners to do so over the next 10 years and then a mandate to get it done immediately. You know, biofuels is a tremendous opportunity for us, but we need to make sure we seize it, and the only way to do that is to have a supply and a demand chain that actually works for the average driver.

Now, as we talk about innovative clean fuels, I want to just mention clean diesel because we don't use clean diesel as much in our country as they do in Europe, and I think it's another opportunity -- again, a homegrown opportunity. Just two quick examples.

At Corning, a wonderful company I represent in New York, they're making the filters to go onto school buses to clean up the pollution from old diesel. So they're dealing with the environmental impact of diesel. At Cummins Engine Plant in Jamestown, they're building the engines that will run on low-sulfur diesel. And we have to get the low-sulfur diesel rule fully implemented by 2007, which is the deadline. The oil companies already got one delay, and we can't let that happen again because companies like Cummins are investing billions of dollars in making sure that have low-sulfur diesel engines on the road. If the oil companies won't step up to the plate on cleaner fuels, then they need to get out of the way and let innovative companies do that.

We also are making some progress in fuel cells, thanks to companies like Plug Power, General Motors, Delphi, Kodak. But we have to deal with coal because we have huge resources of coal. Coal is to us what oil is to Saudi Arabia, and part of our domestic strategy must involve coal. But unless we learn to burn it cleanly, the price of independence from imported oil by using coal will be accelerated global warming. Even if the United States never burned another lump of coal, China is bringing online a 1,000 megawatt coal-fired power plant every 10 days. So if we're going to reassert our leadership on climate change, which I think we should, we've got to deal with coal. And the first step is to take a mandatory cap and trade system, like that developed in the McCain-Lieberman legislation that I support, but obviously going out and trying to reengage the rest of the world in this issue. But unless we get to clean coal, it's going to be very hard to achieve.

Geological sequestration, storing carbon deep within the Earth after you extract the carbon from the burning coal, holds the key to making coal use compatible with the need to reduce greenhouse gas emissions. Scientists believe we will be able to store nearly all of the carbon dioxide we currently emit for hundreds of years. But we need more real world data, and that can only come from large-scale testing. I propose we do two things to scale up the potential of clean coal.

First, undertake five large-scale test of geological sequestration in a variety of settings to really investigate the viability of this technology.

Second, provide tax credits for carbon sequestration to encourage domestic oil production. Oil companies already inject carbon dioxide into mature fields like the ones we have here in the United States to recover oil. The Department of Energy estimates that with oil price at \$40 or higher per barrel, it is economical with ample CO₂ supply to use CO₂ to recover as much as 47 billion barrels of oil from existing U.S. fields. Think of what we could recover at today's prices, as we were cleaning the air at the same time.

Nuclear now is very much in the news as a potential power source because of its lack of contribution to global warming. If you look at nuclear energy, which currently provides 20 percent of our energy with virtually no emission of greenhouse gases, we do have to take a serious look. But there remain very serious questions about nuclear power and our ability to manage it in a world with suicidal terrorists. So I have real concerns, specifically about a plant in my state near where I live, Indian Point, which has had a number of problems, and more generally, with the capacity and quality of the oversight provided by the Nuclear Regulatory Commission. So we need to resolve problems with the NRC, as well as questions of cost, safety, proliferation and waste before we go forward with nuclear power.

But we can do all of that on the research, demonstration side while we are getting more efficient at the same time. You know, we can look at all of the options for efficiency, and there are many that we are just basically ignoring. You know, last year in Auburn, New York, Nucor Steel spent (\$14/40 ?) million on a continuous reheat furnace, money it will earn back in just three years through efficiency savings and higher productivity. Texas Instruments was going to build its next plant in another country. Through efficiency, it decided to stay and build in Texas.

So I just would make a plea that we do more to set the standards for energy efficiency and let businesses and homes and others know more about what each of us can do, and provide some technical assistance and support. That's especially important with low-income people because we haven't done anywhere near what we should on weatherization of homes -- which, again, helps cut bills for the persons living in the home, but also saves energy for the rest of us.

Let's now talk about transportation, which is the hardest issue of all. First, we do need to do more on mass transit. We need to look at places in our country where mass transit makes sense and make the investment. Some states are doing that. We are missing a tremendous opportunity to save money and save energy because we haven't done enough on mass transit.

But we have to look at how we make more efficiency in transportation. We have to change the engines and fuels in the cars that Americans drive. Hybrids is an example of what we

need to do. You know, most foreign oil is used in automobiles, about 70 percent. And the surest way to reduce oil consumption is through hybrid technology, that increases fuel efficiency by 30 to 40 percent. Hybrid sales are doubling every year. Manufacturers, like Ford, are setting ambitious goals for new hybrid production. We have major new improvements in hybrid engines coming on line. There's a really great partnership between General Motors, Daimler-Chrysler and BMW that will build state-of-the-art hybrid engines less than 50 miles from here in Baltimore.

The next step is hybrid plug-ins, enabling drivers to use household electricity to recharge car batteries at night. I saw some of these. They were on display on Capitol Hill. You can drive a hundred miles or more for every gallon of fuel you put in the tank.

I also recommend what's called a feebate. That means, for the least efficient old cars, we need to provide a tax incentive so that people trade them in for more efficient cars.

And finally, I do believe it's vital we make progress on fuel efficiency standards. We can't separate, however, the challenge of making auto manufacturing more energy-efficient and the challenge of making U.S. manufacturing more competitive.

I believe we could do both. We need to be sure that our high standards don't provide an easy excuse for more auto jobs to leave the U.S., but I don't think that's the reason not to do it. We just need to be more creative about it.

We've been in a stalemate on CAFE standards for quite some time. I've worked with Senator Obama on legislation to offer auto companies assistance with retiree health care costs in exchange for them investing more in fuel-efficient cars. That's a start, but we need the carmakers, the unions and the Bush administration to hammer this out. This is one of those moments that cries out for presidential leadership. And President Bush will be meeting with the CEOs of the Big Three automakers on June 2nd, and I think we should challenge all sides to take that opportunity, to come back to Congress with a real proposal that will reform and raise our car fuel efficiency standards and provide Detroit with the help it needs to ensure that the cars are designed and built here in the United States.

I also fully endorsed an idea that Senator Lugar has been promoting. We need a new commitment to a Strategic Petroleum Reserve. Specifically, we should increase it to hold 90 days of supply. We should use mandates and incentives to ensure that distributors hold similar stocks of gasoline, heating oil, jet fuel and other refined products. We should update the process of releasing oil from the reserve to make it transparent and responsive to short-term market swings.

And beyond that, we do need to work with other countries to build up strategic reserves in places like China and India that also can be buffeted by the global economy if they're not prepared, and that can then set off panic in the global marketplace.

This should be the first step of a major effort, as Senator Lugar has proposed, to develop strategic partnerships with those countries to work cooperatively on clean coal, climate change and other energy issues we cannot solve in isolation.

So here we are. There's a lot to be done, and I know that this is probably a more wonkish speech than many of you anticipated. But I feel so strongly about this because I'm afraid

what has happened before will happen again. Gas prices go up. Everybody's in a panic. Everybody talks about what we have to do. Gas prices go down. The sense of urgency recedes, and we just keep sort of stumbling forward into an energy future that we are not in control of.

Oil sits at \$70 a barrel. Goldman Sachs predicts a hundred dollars a barrel by 2010.

So we have two choices here. We have two paths we can pursue.

You know, we can just let people stew in it, and if they can't afford to get to work, that's their problem. I ran into a woman the other day who said, "You know, Senator Clinton, I don't know what I'm going to do.

You know, my commute, 25 miles each way, is now costing me about a hundred dollars more. I don't know where that money is going to come from."

We can wait for the terrible potential of a terrorist attack to hit a pipeline, to hit a terminal and with all that that will mean to the world economy. We can see global warming slowly, but surely have the incredible effects it's having from -- you know, from flooding and storms to desertification. Or we can make a choice, and this is where I come down.

You know, I remember sitting in my office a few -- about a year and a half ago, and we were debating the McCain-Lieberman bill on the floor, which I have continually supported. And one of my colleagues came to the floor in opposition, and he just basically said: We can't do this. It'll ruin our economy. We'll go backwards. It'll destroy the American standard of living. And I just couldn't believe what was I hearing, and I got up and I went to the floor. And I said, "Since when have Americans become so fatalistic that we go around saying we can't do it, we can't do it? That is not the tradition of our country. We can do it. We just need a commitment to do it, and we need the leadership in both the public and the private sectors to get it done." And I believe that we definitely can get it done.

So from my position today, I hope we make the right choice. Thank you all very much. (Applause.)

MR. SALANT: Sorry for the interruption. Even my 8-year-old knows that when you're invited guests, you're supposed to be polite and listen to the speaker and give the courtesy that you would like.

We have two energy questions for you. What are five specific actions that every American and every business should take now or in the next few years to return -- to reduce energy use? And what do you personally plan to do?

SEN. **CLINTON:** Well, there are a lot of actions we can take.

I mean, one is switch to fluorescent lighting, I mean even if it's not all the lighting in your house. There's now some new higher-energy florescent lighting. It saves an enormous amount of electricity. Buy appliances that come with the sort of Energy Star or other designations that they are low energy users. Look for ways to weatherize your own home, to look at, you know, windows and leaks. I mean, this sounds so simplistic, but the net aggregate effect can be extraordinarily high in terms of saving money for the individual and also for the entire system.

We all need to get into more fuel-efficient cars, which is something that, you know, Bill and I are focused on trying to do right now because, clearly, we've got to show more market power in order to support the car companies. And I am a passionate believer that we've got to enable our three automakers to survive. Some people are flippant about that. It's one in every 10 jobs in America; in some parts of the country it is a concentrated number of jobs and economic development.

When it comes to businesses, the same sort of efficiency, energy audit has to be done. There are people available to help do this. You know, I mentioned briefly the Texas Instruments example. They were about to move off shore for a new plant. They contacted someone Bill and I have known for many years and worked with actually back in Arkansas in energy efficiency uses -- Amory Levins at the Rocky Mountain Institute. You can go to the Rocky Mountain Institute website and there's literally a -- probably a million different ideas about what people can do. But to Texas Instruments' credit, working with Amory Levins, they were able to build a plant in Texas that is very energy efficient, which saved them enough money that the other advantages cost-wise that they might have realized by moving were a wash.

And finally, you know, when Bill built his library, he was determined that it would be energy efficient. And it was a bit of a challenge because there still are a lot of people who don't know what that means or how to do it. But he was lucky because he had an architect and he had contractors and builders, engineers who were really gung ho to do this.

But I think we need a more concerted effort to reach out and work with people who build our buildings, who renovate them, to help us become more energy efficient.

And there are a lot of other ideas, but those are just a few that people can do in their homes and in their businesses.

MR. SALANT: Regarding fuel economy standards, do you favor making SUVs follow the same CAFE standards as passenger cars?

And do you support Congressman Boehlert's bill to raise the CAFE standards to 33 miles per gallon for all vehicles?

SEN. **CLINTON:** Well, I have the greatest respect for Congressman Boehlert. We're going to miss him when he retires at the end of this year. He has studied this issue, and he comes down sort of in the middle of where a lot of people are. Some want to go to a higher MPG; others not so ambitious.

I think we can stage this in a way that is not disruptive to the economy, and by giving the right incentives and support to the car companies, manage this over the next 10 to 15 years.

Now, we have to get the old, inefficient cars off the road, which is I proposed a feebate, get them to be able, with a tax incentive, buy a fuel-efficient car. And, you know, the president has asked for the same authority for passenger cars that he used for light trucks, but he just didn't go far enough. You know, I think the increase, as I recall, is, like, 1.8 miles per gallon. We can do better than that, recognizing the fact that we have to help the car companies be able to manage this.

That's why I really hope that when the president meets on June 2nd, that there could be some real proposals put on the table. Because I'm not going to predict exactly what we should do. I just know we've got to set some goals, and we need to reach them because back in, you know, '77 to '85, that is how we worked our way out of the first oil shock that OPEC, you know, produced for us -- buy more efficiency, more conservation and raising gas mileage.

MR. SALANT: During the Carter administration, there was a 55 mile-an-hour speed limit, to which even oil company executives say driving slow would save gas. Would you favor a return to a national speed limit?

SEN. **CLINTON:** Well, there are just some parts of the country where that's just not going to happen, you know, where you've got miles of open, flat road. I would like to call on people to try to exercise as much responsibility as they can, given the temptation and the necessity of those long roads and what it does to you.

But I think there's a different way of looking at this. The 55 mile speed limit really does lower gas usage, and wherever it can be required and that people will accept it, we ought to do it.

But there are other things that we ought to do. At every gas station there ought to be a little sign which says, "Have you checked to see if your tires are inflated to the right pressure?" If you do that, you also save gas mileage. I mean, there are things that can be done. So maybe the trade-off is, you know, in most of the country, where 55-miles an hour doesn't seem like a burden, we have that; in the rest of the country, inflate your tires before you head off into the sunset. (Laughter.)

MR. SALANT: We have a lot of questions -- changing the subject -- we have a lot of questions about the Iraq war. Do you regret your vote for the war, in view of the deaths and destruction and the falsehoods told in the run-up?

SEN. **CLINTON:** Well, I have said on numerous occasions that I regret the way the president used the authority he was given. And I think it's clear that the mistakes and misjudgments that have followed the policy in Iraq have taken a very heavy toll on our country -- in the lives lost, the injuries suffered, the billions of dollars spent, and certainly the death and destruction and the impact on Iraq.

I've also said that we have to wait until an Iraqi government is in place. That is now happening. I didn't think you could negotiate with an interim government, which is like negotiating with ourselves, because there wasn't yet an elected government that in the eyes of the world had the legitimacy to take responsibility for the security of the Iraqi people and work with us and our other allies. We are moving in that direction. We still have a long ways to go. We don't have, you know, a minister of Interior or Defense, unless one has been named while we've been here.

But I think once there is a fully established Iraqi government, we have to make it very clear that the Iraqis are responsible for their own security, the Iraqis are responsible for ending the sectarian violence, the Iraqis are responsible for making sure that the electricity is on. And we have to make that very, very clear. And I've said that on many different occasions.

So we're getting to a point where we will be able to deal with an Iraqi government, and I think at that point we have to make it absolutely clear to them that the United States has sacrificed a great deal for this moment, for the Iraqis to have a government of their own choosing, elected in a free election, that must recognize the differences among the people of Iraq and work to create a unified Iraq.

And once we get to that point, then I think you can make other decisions. But I don't think we're there quite yet, but we should be there soon.

MR. SALANT: You're not going to get out of here without a political question. You're here to talk about energy, but most people are here because they think you will run for president. (Laughter.)

SEN. **CLINTON:** Really.

MR. SALANT: Do you feel blessed or cursed to get such frenzied attention so early? And do you think it helps or hurts your odds if you decide to run in 2008?

SEN. **CLINTON:** Well, you know, I don't think about that much because I have no control over that at all. I'm running for reelection, and I'm working very hard on that. And I think it's important to talk about these issues, and I welcome, you know, the contributions of a lot of my colleagues on both sides of the aisle on energy and on other issues. And I am working to try to create some space for bipartisan, sensible, practical solutions to take root, and we desperately need that on energy as well as health care and the environment and a number of other issues. And that's what I'm going to keep focused on, and you know, we'll just have to let the future be the future, whatever that might turn out to be.

MR. SALANT: Before I ask a final question, I'd like to give you the National Press Club coffee mug.

SEN. **CLINTON:** (Laughs, laughter.)

MR. SALANT: Perfect for when you travel to Greece and Rome and Denmark and Copenhagen and Cuba -- all towns in Upstate New York.

SEN. **CLINTON:** (Laughs, laughter.) That's very true.

MR. SALANT: And also the certificate of appreciation for appearing here today. Thank you very much.

SEN. **CLINTON:** Thank you, Jonathan. Thank you very much. Thank you. (Applause.)

MR. SALANT: For a final question, if your career ended now, what would you like most to be remembered for?

SEN. **CLINTON:** Well, I don't want it to end now. (Laughter.) So I'm not even going to think about that. (Laughs, applause.)

Thank you.

MR. SALANT: I'd like to thank everyone for coming today. I'd also like to thank National Press Club staff members: Melinda Cooke, Pat Nelson, Jo Anne Booze and Howard Rothman

for organizing today's event. And thanks to the Eric Friedheim Library at the National Press Club for its research.

We're adjourned. (Sounds gavel.)

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS ACCEPTANCE SPEECH AT DEMOCRAT STATE CONVENTION, 5/31/2006

LOCATION: BUFFALO, NEW YORK

CLINTON: Thank you.

Delegates, I'm honored to be here and deeply, deeply (inaudible). And I accept your nomination to the United States (inaudible).

(APPLAUSE)

You know, as I was standing backstage and watching the film, so many memories came flooding back. (inaudible) 24 hours long, because so many of you (inaudible) endless others across our state have been so kind (inaudible). You've been constructive critics, you've (inaudible) you have stood with me over the last years. (inaudible) has been the privilege of a lifetime to stand up for you.

There are...

(APPLAUSE)

There are so many people to thank that I could stand here until all of you got tired and left and still would not have thanked everyone who (inaudible) moment possible. But I want to start (inaudible).

(AUDIO GAP)

CLINTON: ... single day she worked her heart out for New York.

CLINTON: I know her family is here, and they're among the finest people I've ever known. And Buffalo is lucky to claim them. And we are so fortunate to know that Licia's (ph) future is indeed bright.

So let me thank Licia (ph) and Christine.

(APPLAUSE)

I want to thank Len Lenihan and the entire Erie County Democratic Committee for hosting us and doing such a great job.

Len, you're doing a first-rate job as Democratic chair here.

(APPLAUSE)

And I want to thank and acknowledge the new mayor of Buffalo, Byron Brown, who is bringing young and vigorous leadership to Buffalo. And we have a great team in place now.

I want to thank our state chair, Denny Farrell, and the state committee, so many of whom have worked tirelessly to make this convention successful.

(APPLAUSE)

I know that Speaker Silver is here. I want to thank him for his support, kindness and friendship.

I want to thank Denise King as well for all she's done over the last many years on my behalf.

(APPLAUSE)

Jerry Harper (ph) runs a great convention, with all of the legal rules being kept in mind.

And I particularly want to congratulate our party's designees: Eliot Spitzer, David Paterson, Alan Hevisi, Andrew Cuomo.

(APPLAUSE)

And I want to thank everyone who has competed, everyone running for office. We have a great crop of Democrats throughout New York. And we're going to harvest a big victory in November, led at the top of the ticket by Eliot Spitzer, who is going to come to Albany with the kind of energy that he brought to the attorney general's race. And serving for eight years as our attorney general, demonstrating clearly that the job could be done, confidence could be restored in our marketplace, work could happen that would protect consumers, groundbreaking litigation could be filed that would preserve our environment.

CLINTON: Eliot has been a leader as our attorney general. He will remain a national leader as our governor.

(APPLAUSE)

I want to also thank my husband who's here today. And...

(APPLAUSE)

... he remains an inspiration and a mentor, a friend and a partner, someone who has continued his public service after the presidency through his foundation work here at home and around the world, and is making a difference, as he always has, in the lives of literally millions and millions of people.

(APPLAUSE)

So I thank all of you for your support.

CLINTON: And the film gave us just a snapshot of the work we have done together. There are so many memories of the campaign we waged of the last five and a half years in the Senate.

Seeing the footage of Senator Moynihan reminded me of what a rare public servant he was and how much we miss him today.

But I was also struck, as I looked at the images in the film, that I've had the same hairdo...

(LAUGHTER)

... for the longest period of my life.

(LAUGHTER)

That has to be a record.

(LAUGHTER)

Thank you.

(LAUGHTER)

It takes me awhile, but I finally got it right.

And it also was a great opportunity for me to think about all the causes that we have stood for, all the fights we have waged.

You know, it's been an honor and a joy to work and fight for the values that have shaped my passion for public service for more than 30 years.

I believe in the chance for every person to pursue his or her dreams, to build strong families and raise educated, healthy children who can live out their own dreams.

I believe in the dignity of work that is fairly compensated.

I believe in individual responsibility, but also in strong communities.

I believe that we are safer and stronger when we work together, when we relish our diversity, and when we remember that our great nation is free because of our values, what we have stood for, and that it is the obligation of every American generation to fulfill and advance those values at home and around the world.

I believe that we are blessed in America because, as has been noted from nearly the beginning of the great American experience, we've always had a strong, dynamic economy that rewarded people who worked hard and entrepreneurs and innovators, those who brought good ideas to the marketplace.

And we've always had, even more importantly, the space for us to pursue our personal faith, to support the causes we believed in, to live within that civic space between the market economy and the government where most of life takes place.

And I believe that our government has served us well over the course of American history, because the role of government is to help empower individuals, families and communities to realize the core American values of opportunity and freedom, of responsibility and service.

And this government of ours has, through all kinds of changes, found ways to help provide the tools and the conditions that enable Americans after Americans after Americans to succeed, sometimes against tremendous odds.

And we've also had a government willing and able to stand up against the forces that threaten our dreams and our children's future, to help us invest in what will make us stronger and safer and richer and smarter.

CLINTON: I have been honored, as you have, to be part of the greatest country in the history of the world. I have been blessed, not by anything I did, but because I can call myself an American citizen.

And at very important points...

(APPLAUSE)

... in our country's history we have come together to face the future.

I worry today we are not doing that. In previous times, we've had leadership in both the public and the private sector, from both sides of the aisle, who have led us into a new and sometimes threatening future.

We've had leaders who understood that we had to make investments today in order to realize the benefits tomorrow; that we had to sacrifice today in order to secure our future.

That's not happening in America today. And we all need to stand up and demand new leadership that will once again put our country back on the right track.

(APPLAUSE)

I believe that we need a fundamentally new direction, and we need to work toward solutions that help us meet our 21st-century challenges of expanding our economy, defending our security and preserving our values.

CLINTON: Now, we've been through a lot together these past years. We stood together, united, in the aftermath of September 11th. We've stood together to face the challenges of a more competitive, globalized economy. And yet we have a lot of work still ahead.

At a time when many families are struggling and the economy is still hurting in many parts of our state, we've rowed against the tide and we've made progress.

But I won't stand here and gloss over our challenges because I believe in a government that makes decisions based on facts. And sadly, that seems to be an unusual idea in Washington these days.

(APPLAUSE)

Senator Moynihan said a lot of famous things, but one of my favorites is "Everyone's entitled to his own opinion, but no one is entitled to his own facts."

(LAUGHTER)

(APPLAUSE)

And what we have in Washington is a Republican administration and a Republican Congress that deny and dismiss inconvenient facts, that refuse to engage in the give-and-take of political compromise to try to find consensus and reach toward solutions that will work.

Because we have a lot of work ahead of us. There is work to do to keep and create good paying jobs, to ensure that we have an adequate supply of affordable housing, that the standard of living and the quality of life from Long Island to Buffalo remains achievable for all New Yorkers.

We have work to do to invest in health care and education, transportation and alternative energy, to ensure that our children have opportunities right here in our state.

We've built a good foundation together, but now we have to stand and fight for the future we deserve.

And I pledge to you that I will continue to stand up for you. And so I am asking you once again to stand with me, stand with me as I fight for an energy plan that puts us on the road to energy independence...

(APPLAUSE)

CLINTON: ... that creates new jobs in clean energy.

Right here in New York, we have some of the cutting-edge companies, we have some of the world-class colleges and universities that are pursuing alternatives to our dependence on imported oil and fossil fuels.

Right here in Albany, we have fuel cells. In Syracuse, we have work being done on biomass. In Rochester, we have an entire effort devoted to trying to take the old economy and use the assets there to enhance our potential for becoming a center for alternative energy.

And here in western New York, we have Cummins Engine in Jamestown building low-sulfur diesel engines, we have Corning creating filters for diesel emissions, and here in Erie County, in Niagara, we have people who are inventing and innovating in the area of new energy, from new plants in Shelby to G.M. Powertrain and so much more.

But we cannot do this without federal policy. We need federal policy that creates a framework so we can make investments in alternative energy and, at the same time, combat the dangers of global climate change.

With record-breaking profits...

(APPLAUSE)

When so many New Yorkers tell me that they don't know how they're going to pay for their commute to work with gas prices going up like they are, I think it's time for the oil companies to put a share of their profits toward alternative energy research and investment.

(APPLAUSE)

That's why I've proposed a strategic energy fund. Oil companies can either invest their profits in alternative energy, or they will be required for two years to invest in the fund.

This will help us create alternatives, to lower costs for energy, reduce our demand for foreign oil, find ways to accelerate the process of using cellulosic and biomass and biodiesel and ethanol of all kinds, really make the investments in wind and solar that have so much potential.

CLINTON: We could in America become a net exporter of new energy technology and employ thousands and thousands of Americans in good, high-paying jobs.

(APPLAUSE)

You know, it's an old saying, but when it comes to energy it is true: You're either part of the solution or you're part of the problem. And it's time for the oil companies to be part of the solution for the sake of our country's future.

(APPLAUSE)

Stand with me to protect New York's environment, from the beautiful beaches and coastline of Long Island, to the lakes of the Adirondacks, to the Great Lakes.

New York is blessed. We have the most beautiful scenery. We are so fortunate because we are overwhelmed with water resources. We are well-positioned for a future that unfortunately looks as though it will have scarcity of resources and have environmental degradation if we don't begin to turn this around.

But it doesn't happen on its own. We need not only state policies, but federal policies. We can do very little about the pollution that comes from utilities in other states that falls into our lakes and rivers unless we have federal support that will clean up and preserve and protect our environment here in New York.

(APPLAUSE)

Stand with me as I continue to fight for affordable quality health care. We've got to cut the administrative costs which take so much money out of our health care dollar.

Does this make sense to you, that we would spend so much more on health care than any other country in the world, that about a third of what we spend would go to administrative costs, that we would spend far more than the next highest spending country by more than 50 percent, and that we would not have all of our people insured and that by every international indicator we don't even have the highest quality of health care in America?

Now, if this makes sense to you, then this system is the one you want.

CLINTON: But if it doesn't make sense to you, then work with me and stand with me so we can finally have a health care system that provides quality, affordable, accessible health care to every single American.

(APPLAUSE)

Stand with me as I fight to revitalize American manufacturing and create good, new, high-paying jobs. Because I believe a country that doesn't make anything is a country that cannot sustain its economic position globally.

Stand with me as I fight to enforce trade rules against countries that don't play by the rules and send a message they've got to stop manipulating their currency, they've got to stop stealing our intellectual property, they have to become good global citizens if they expect to be able to trade with us, just as we have traded with them over all these years.

(APPLAUSE)

Stand with me as I fight for the enforcement of fair labor laws and to protect worker safety to make sure that what happened at ground zero, which has led to so many of those brave first responders, volunteers, workers and residents (inaudible) of getting sick, doesn't happen to anyone else, because we need to have a strong government enforcement of workplace safety, of occupational safety and health rules.

And stand with me as I fight to raise the minimum wage, which hasn't been raised for nearly a decade.

(APPLAUSE)

You know, I've just introduced a bill to tie the minimum wage to congressional salaries.

(LAUGHTER)

CLINTON: I say that if members of Congress get a pay raise, then so should minimum wage earners. They deserve it, and they haven't had one in way, way too long.

(APPLAUSE)

Stand with me as I continue the fight with so many of you to require that our schools provide a first-class education to all of our students. Stand with me to provide preschool education, so that students can start school ready to learn.

Stand with me so that we make college affordable. And stand against the reckless cuts that have come from this administration and Congress (inaudible) to higher education. (inaudible) students who are eligible to go to college, but cannot afford to go and finish.

We need the most highly educated (inaudible) to compete globally. We should not be turning our backs on (inaudible) part of that future.

Stand with me to restore FEMA to its position of respect and results, so that no community in America ever has to go through what our fellow citizens along the Gulf Coast have suffered. It was a disgrace.

There is no explanation for it other than that this administration destroyed FEMA as it was operating during the Clinton administration, stuffed it with cronies and turned their backs and basically left people to fend for themselves.

(APPLAUSE)

Stand with me to implement the 9/11 Commission's recommendations to keep our country safe. You know, these are recommendations that are important to the entire country, but they're especially important for us in New York.

We should have threat-based funding, and New York should get its fair share so that we can protect ourselves. From New York City to Lackawanna, we need to have the resources that our first responders, our mayors, our county executives deserve.

(APPLAUSE)

Stand with me against the wrong-headed, short-sighted foreign policies of this administration. Let's start building alliances instead of alienation around the world. Let's win back the respect that the people of the world should have for our country.

(APPLAUSE)

Stand with our troops, who've been doing the difficult and dangerous job of standing up for us. And remember those who have sacrificed everything for our country.

CLINTON: They deserve our deepest respect and gratitude.

But remember, it's not enough just to put a sticker on the back of our car saying, "Support our troops." Let's make sure they have the body armor and the armored vehicles and the other equipment and materials and training that they deserve to have if they're sent into harm's way.

(APPLAUSE)

Stand with me as we push the Bush administration to take responsibility for the mistakes and misjudgements that they have made around the world.

And stand with me as we put pressure on both the administration and the new Iraqi government to get behind a real plan for the Iraqis to assume a growing responsibility for their own security and safety so that we can begin to bring our troops home.

(APPLAUSE)

So I am asking you to stand with me as I fight for our values, New York's values, America's values, and to fight for decisions made on evidence, not ideology, facts, not politics. Let's fight for real solutions.

You know, I've said it repeatedly: The current administration and the Republican majority are trying to turn Washington into an evidence-free zone.

(LAUGHTER)

If they don't think it is part of their agenda, they want it to go away. They want to turn their backs against reality. They don't want to hear the real-life concerns of people.

It's an environment where it's more important to say "Mission accomplished," than actually accomplish the missions.

(APPLAUSE)

Stand with me against the divide between rhetoric and reality: when we hear that we need to break our addiction to foreign oil but the oil companies continue to receive special tax breaks; when we hear we need to be fiscally responsible but the debt limit has now been raised to \$9 trillion.

CLINTON: Stand with me against those who still believe in voodoo economics and instead stand for cutting our deficit, getting back on the path of fiscal responsibility where we were just five years ago because of the policies of a Democratic administration and a Democratic Congress.

(APPLAUSE)

Stand against the effort to muzzle leading scientists who speak out on everything from the dangers of mercury in the air to global climate change.

Stand against the politicization of science, when the FDA tries to prevent us moving forward because to approve certain kinds of prescriptions would inflame the base of the Republican Party. Stand against that and stand up for free and independent thinking and for science and for evidence.

(APPLAUSE)

Stand up for what we know to be true about the kind of country we are.

(APPLAUSE)

We are better than what is happening in America today. Katrina showed in the starkest terms what happens (ph) when you're not making decisions based on the facts on the ground, when they just think they can get away (inaudible) saying, "You're doing a heck of a job."

Well, the facts are we need better than that. We need (inaudible).

(APPLAUSE)

And I believe we're going to be seeing that happen this November. We're going to be electing Democrats across New York and across America because Americans know we have to change direction.

(APPLAUSE)

And so I (inaudible) placing your faith in me. I know you took a chance on me back in (inaudible). And I have worked every day to earn your trust (inaudible).

It has been an extraordinary experience.

CLINTON: I wish I could take every single one of you with me as I travel our beautiful (inaudible), as I go in and out of people's homes and workplaces, as I stand on street corners or in farm fields, and just listen with me to the (inaudible) aspirations of New Yorkers.

We are a resilient people. We care deeply about the future. And each of us is doing the best we can to (inaudible) future as good as it can be, but we are inextricably bound together.

You know, when you think about the leaders of our past who made decisions, it was based on what was best for America; what was best for the future generation; how do we keep this huge, sprawling, diverse country together and all moving into the future with optimism and hope.

That's the real American character. And that's what I believe we will begin to see assert itself this November.

If we stand together as Democrats, if we stand unafraid to criticize but also to propose positive solutions, if we reach out and bring more people in who may not have always agreed with us but who fundamentally believe as we do that we can do better, then I am confident, with hard work, we will take our country back.

I will be there fighting every step of the way. I need you by my side. And when the election comes around this November, after all the hard work, we will once again know that the American journey can continue.

We can achieve great things together. We can stand up for the Empire State. We can reclaim our country. We can assume our standing in the world. And we can send a message far and wide: America is back.

Thank you and God bless you.

(APPLAUSE)

END

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS REMARKS AT CAMPAIGN FOR AMERICA'S FUTURE'S TAKE BACK AMERICA 2006 CONFERENCE, 6/13/2006

SPEAKER: U.S. SENATOR **HILLARY RODHAM CLINTON** (D-NY)

CLINTON: Thank you. Good morning.

(APPLAUSE)

This is an enthusiastic, energized group. And we need that energy and enthusiasm as we go into these November elections, because

we have to take back the Congress in order to stop this administration and their unaccountable undermining of our constitutional democracy.

(APPLAUSE)

I want to thank my long-time friend, Hilary Shelton, for that introduction. It is nice having somebody else named Hilary. He gets a lot of press, as well.

(LAUGHTER)

He and I have worked together on so many issues, particularly with respect to the Voting Rights Act and the overwhelming need to return integrity to our voting system.

(APPLAUSE)

And I believe so strongly that if we do not go to the local and state level in the next several months to see what local election commissioners are doing, to see what secretaries of state in the ilk of Katherine Harris and Blackwell in Ohio are doing, that we may not have the victories that we deserve and that I think the American people want us to have in November.

So my first and perhaps most important request to all of you is we're not going to get my legislation, Count Every Vote, through the United States Congress. The Republicans have absolutely no interest in changing the way we vote and holding the machine makers responsible, and having a verified paper trail, and eliminating conflicts of interest so that people who run partisan campaigns can't also run the independent verification of election campaigns for states and local communities.

(APPLAUSE)

So until we get back a Democratic Congress, we have to hold local and state officials accountable.

CLINTON: So please, join with me and make sure you do everything you can in the next several months so we don't have a repeat of what happened in Ohio, what happened in Florida.

There are so many issues at stake. And in order to take back America, we have to take back our electoral system. Because we meet at a time when the stakes could not be higher. We all are here in part because we are fed up with what has been going on for the last five and a half years.

Now, we've had a few small victories along the way. You know, last week we stopped the Congress from mangling the Constitution by enshrining discrimination.

(APPLAUSE)

And we stopped them from eliminating the estate tax and adding \$1 trillion of debt to our children and our nation.

(APPLAUSE)

We stood together. But it is hard when you're in the minority, which is why we've got to elect more Democrats in November. Because right now, that is the only way that we can prevent them from continuing on the agenda that they are so determined to pursue.

You know, it takes daily skirmishes from those of us in the Congress to try to hold the line on everything from college loans to health care for children, even health care for our veterans.

These particular battles should be viewed in a larger context, because they do represent the stark, philosophical differences between our progressive Democrats and, increasingly, even some moderate independents and a few Republicans who have found their way back to sanity...

(APPLAUSE)

I think we have a few of those in the audience today -- and the right-wing Washington Republicans who are determined to set this country on a disastrous path.

You know, Democrats believe in equal opportunity, in shared responsibilities, in a more inclusive community. They believe in concentrating maximum wealth and power in the hands of the people they consider entitled to rule the rest of us.

We believe in a government that empowers people to live their own dreams, but a government that is also accountable to the people.

They believe -- they truly believe in a government that is run for the benefit of their partisan and commercial allies, and without accountability.

We believe in forming policies based on evidence and argument. They believe ideology determines policy and that evidence is a weak substitute for attack.

CLINTON: We believe in fighting terror and other threats to our security by cooperating with others whenever we can and acting alone only when we are forced to.

They believe in just the reverse: in acting alone whenever they can and cooperating only when there is no alternative.

So for five and a half years...

(APPLAUSE)

... they have controlled the White House and the Congress, and they have succeeded in concentrating wealth and power and resisting

accountability and ignoring evidence and going it alone in the world.

And what a price Americans have paid in exploding debt, stagnant wages, rising poverty, more people without health insurance, a more polluted environment, weaker workplace protections, an anemic response to the threat of global warming, exploding oil prices, increasing crime rates, a deeply divided citizenry, and more hostility and alienation from much of the rest of the world.

CLINTON: Now, I have been honored to fight for our values against the right wing's determination to take America away from our founders' vision of a more perfect union for many years.

And I'm grateful for the successes we've had, including the great success we had in stopping their frontal assault on Social Security...

(APPLAUSE)

... and undermining the legitimate right to protection that every generation should have in old age and widowhood and orphanhood and disability.

But I am tired of defining success by what we prevent. It is time for us to start defining success by what we can build and what actions we can take based on that foundation.

(APPLAUSE)

Now, when this administration came to power, it became abundantly clear that they wanted to turn the clock back on the Clinton administration. And I admit, I took that kind of personally...

(LAUGHTER)

... because I thought we'd done a lot of good things for our country and the world in those eight years.

(APPLAUSE)

But, you know, what became clear to me is that it wasn't just the eight years of the Clinton administration, they wanted to turn the clock back on the progress of the 20th century.

(APPLAUSE)

That starting with Teddy Roosevelt, all the way through Bill Clinton, this crowd had been unhappy. They'd been unhappy with saving capitalism, which is what Franklin Roosevelt had done. They had been unhappy with the bipartisan consensus about how we should act in the world to promote America's interests. They had been unhappy with the extension of civil rights and civil liberties.

So they came to town to reinstitute a 19th-century attitude that was basically: "We know best, you don't know anything at all, and

we're not going to explain it to you."

CLINTON: And so we've been living with that systematic destruction of everything that happened in the 20th century. I don't care whether it was consumer protection or actually a FEMA that worked and protected people and saved lives and property.

(APPLAUSE)

It was an assault on the environment that had been pent up inside of them for decades, despite the fact that the environment originally was not only a bipartisan issue but the modern environmental movement was led by Republicans. But not for this crowd.

They had a determined effort to suppress science that didn't suit their ideology, to weaken key provisions that protected our air, our land and our water.

They had a clear idea, with their misnamed Clear Skies Initiative, that they were going to turn over control of the air we breathe to the dirtiest polluters in America.

Now, we've stopped that in the courts temporarily. But we have absolute evidence that their support of pollution is not only undermining people's lives; it is leading to premature deaths.

After 9/11, I said repeatedly, "This White House, this EPA is not telling us the truth. It is not safe to breathe the air at ground zero in Lower Manhattan."

(APPLAUSE)

And we fought them and we tried to stop them. And they ignored us and they ignored scientific evidence.

CLINTON: And now I have firefighters and police officers and other people who came down to work and to help who are suffering from all of the diseases that they have incurred because they were not protected by their government.

And that is the kind of attitude that we have to stand against and end, starting this November.

(APPLAUSE)

Well, what do we need to do? Well, first of all, we need a change in direction to make our economy work for everybody, an economy that honors hard work, responsibility and opportunity.

Second, we need dramatic change in direction in our foreign policy, in our national security policy, to protect our country, to begin to unwind the situation in Iraq as soon as we can, and to make it clear to the rest of the world that America's values are what we stand on.

It is not only security we seek, it is to build a safer, more prosperous world that will be better for our children and our children's children. We need a change in direction if we're going to have the values that we care about.

I believe in a very simple principle: that the engine of our economy is a strong middle class, that America is better than the government we currently have, that we can come together once again as a nation.

(APPLAUSE)

We can start by standing up for an economy that honors work again. It is unacceptable that people working for a minimum wage have not had a raise in 10 years.

(APPLAUSE)

You know, my husband and I are often bewildered by the fact that it appears that the Republican majority and the president just can't do enough for us. Every time we turn around, we're getting another tax cut.

(LAUGHTER)

And we keep looking at each other and saying, "Wouldn't it be nice if people who worked hard and played by the rules got tax cuts? Wouldn't it be nice if they were given a chance to get beyond the stagnating wages?"

CLINTON: Productivity's up. Profits are up. But people's wages are not up.

I have introduced legislation that would tie the minimum wage to congressional salaries.

(APPLAUSE)

No more increases for Congress until we raise the minimum wage.

(APPLAUSE)

Now, we also know that education is still a key to our future, individually, as a society.

And during the 1990s, Democrats gave students the largest increase in college aid in 50 years. I was very proud of that because I meet people all the time who had to drop out of college or could never start because they and their families didn't have enough money.

So we were making progress and, sort of, narrowing the gap between high tuition and costs and what the average student and his or her family could pay.

Well, this Congress just passed and the president signed the largest cuts to student loans in our nation's history.

We ought to be doing more, not less, for our students. We ought to be making sure every qualified student can go to college and pursue his or her dreams.

(APPLAUSE)

And, you know, there's a very easy way to do that. All we have to do is cut all the tax breaks for oil companies, pharmaceutical companies and billionaires, and put it into student aid.

(APPLAUSE)

I also believe in a fair shot in life. I've lived long enough to know that things happen.

(LAUGHTER)

And things you never expect.

(LAUGHTER)

Well, we ought to reverse the mean-spirited bankruptcy bill that makes it harder for people to get back on their feet and get a fresh start.

(APPLAUSE)

And we ought to stand up for the right to organize workers and the right for decent health care.

(APPLAUSE)

You know, this is how they think, though. Just imagine this. After Katrina, after the president finally looked at the video that his staff asked him to look at...

(APPLAUSE)

... and saw that there was a major national disaster along our Gulf Coast, what was their first decision?

Well, their first decision was to suspend the rules that made sure workers would get prevailing wages. That's how they think.

CLINTON: Well, we successfully reversed that. But they still haven't cleaned up the Gulf Coast.

I don't know how many of you have been down there. It is a national disgrace. It is heartbreaking. And it didn't have to happen. But the combination of incompetence and insensitivity have

left so many people still all on their own.

You know, when the president talks about an ownership society, that's what he really means: "You're on your own."

(LAUGHTER)

"And the rest of us; we're not going to be there for you."

(APPLAUSE)

It is also time for us to restore the basic bargain in America and to expand it.

You know, I was raised to believe that if you worked hard, you did what you were supposed to, you would have opportunities to fulfill the American dream.

It's gotten a little more complicated because of global competition. And we have to be smarter about how we do it. But one thing that is clear to me is we still have not recognized how hard it is for people to work for a living and fulfill their family responsibilities.

(APPLAUSE)

It is as hard in this country as it is anywhere in the world. And yet here we are, the richest of all nations. Why it is so hard for moms and dads to be able to have flex time, to be able to have time off to go to a student-teacher conference or a school play or an athletic event?

(APPLAUSE)

Why is it still absolutely the case that working women don't get equal pay when so many of them are supporting their families and contributing income that's necessary?

(APPLAUSE)

I really appreciate the work that Joan Blades is doing, the co-founder of Move On...

(APPLAUSE)

... along with her colleagues on the Moms Rising agenda.

CLINTON: She'll be addressing this conference. And please pay as close attention, because there is an incredible opportunity here for us to make our society stronger by helping working families fulfill the most important obligation they have, which is to care for the next generation and, increasingly, to care for our parents and our grandparents.

We are in the sandwich generation, many of us, where we have family responsibilities on both ends of the age spectrum.

We need to expand the Family and Medical Leave Act. It doesn't cover enough people.

(APPLAUSE)

We need paid parental leave so that people can afford to have time off. We need to ensure that every single child in America has health care.

And these are the kinds of issues that Moms Rising is promoting.

(APPLAUSE)

Now, much of what we need to do cannot be done unless we return to fiscal responsibility. You know, people say, "Well, is fiscal responsibility a progressive issue?"

Well, as Hilary Shelton said, if the strategy on the other side is the bankrupt the government so that it can't do anything like enforce election laws, like have a functioning FEMA, you know, like take care of people's most basic needs, they're doing a good job of it.

And their ideologues believe that.

You know, one of them famously said they wanted to shrink government so that it was small enough it could be strangled in the bath tub.

Fiscal responsibility gives us an opportunity to promote a progressive agenda. What do you think we were doing in the 1990s?

(APPLAUSE)

We were building the capital needed to make the hard decisions. And they knew it.

So at the end of the Clinton administration, when we had a balanced budget and a surplus, that was not just to put a checkmark in history against the Clinton administration and say, "Oh, look what they did," that was to equip us to do what needed to be done in reforming Social Security the right way, reforming Medicare and Medicaid the right way, making investments in clean, alternative energy, dealing with global climate change, making health care available and affordable to every single American.

(APPLAUSE)

CLINTON: That's what that was for.

(APPLAUSE)

And sometimes I think our opponents understand us better than we do ourselves. Because we have to put fiscal responsibility back at the core of the progressive agenda or we will never be able to achieve our goals.

And that is equally true when it comes to national security. Because of our fiscal recklessness, we are undermining our ability to lead the world in the way that I think it should be lead.

You know, we have done so little to send the message to friend and foe alike that the United States wants to lift up the rest of the world, not put it down.

(APPLAUSE)

We want to be partners, not opponents.

We borrow money -- \$60 billion of it -- every month to maintain the Republican Party's spending habits. And where do we go to borrow that money? Well, we go to China or Saudi Arabia or Japan or South Korea.

Recently, the top 10 holders of American debt -- guess who broke in as number 10? Mexico.

(LAUGHTER)

I believe in maintaining our own fiscal sovereignty. But we're giving it away.

And when I travel around upstate New York -- and we have so many wonderful people who have seen the plants close and move to China or move somewhere else and they come up to me and they say, "Senator, why can't we get tough on China?" And I'll say, "Well, I agree with you. They manipulate currency. They steal our intellectual property. They don't abide by the rule of law and contracts. But do you know how tough it is to crack down on your banker?"

(LAUGHTER)

You know, this administration has rendered us weak.

CLINTON: You know, they have the toughest rhetoric in the world. They must watch old cowboy movies 24 hours a day.

(LAUGHTER)

But when it comes to actually being tough and strong, they leave a lot to be desired.

We need to be building alliances -- instead of alienation -- around the world. And we need to be reaching out in an effective way to fight HIV/AIDS, TB, malaria.

(APPLAUSE)

I have legislation that calls for the United States to help put children in school around the world.

(APPLAUSE)

It is not only the right thing to do particularly because so many girls are left out of school...

(APPLAUSE)

... but it would help provide an alternative to the madrasas that teach hate.

You know, if you're a poor villager somewhere and somebody comes to you and says, "Would you like your son to have an education?" you're going to jump at the chance, because there's no school in your area.

I've been in so many of these countries. Sometimes they build a concrete building with maybe a chalkboard and a few chairs and that's the school. There's no place for students to go after the sixth grade, or maybe there's a place down the road that the boys can go but nobody will let their girls travel alone.

And so when someone comes and says to that village family, "Would you like your son to have an education?" well, the answer is most likely going to be, "Of course. We dream of it." So off they go to these madrasas, where they don't learn; they are given a view of the world. They memorize the Koran in a language that is often not their own.

And that's what passes for their education.

CLINTON: And they are taught to fear the modern world. They are taught to hate freedom and our values.

So why doesn't the United States go on record and say, "We're going to help send children to school so that they can be part of the new world we want to build together, that they won't be taken advantage of, they won't be turned into jihadists or terrorists"?

(APPLAUSE)

Many of us have said -- and I know many of you in this room have said that we want to support our troops. And we should. These young men and women are among the very best we have to offer.

And we need to keep faith with them and make sure they have the body armor, the vehicles and the other equipment, materials and training they need.

(APPLAUSE)

And now that there is a new Iraqi government, something that many of us have been waiting for and pushing for, then this Iraqi government needs to be told they have to take responsibility for their own security and stability...

(APPLAUSE)

... that there must be a plan that will begin to bring our troops home...

(APPLAUSE)

... because they have to take the priority of making sure that they have a unified government that stands up to the militias, stands up to the death squads. That is not the job of the American military.

(APPLAUSE)

Our job is to do everything we can to help this government succeed. And it will be difficult and dangerous. But I am hopeful that the administration -- which doesn't listen to any of us, anyway -- will finally realize that the policies it has pursued from the very beginning, when they rushed to war, when they refused to let the U.N. inspectors conduct and complete their mission, when they committed strategic blunder after blunder, has undermined America's leadership in the world and has put at risk the long-term war against terrorism.

CLINTON: Since 2003, the United Nations has been on record as saying, "We must try to help Iraq succeed as an independent, democratic government able to take care of its own security and run its own affairs."

That is why Zarqawi targeted the U.N. mission. Because the U.N. understood that once we were in this situation that was a determined decision by the decider about what he was going to do...

(LAUGHTER)

... we had to work our way out of it.

And that is what I and the majority of senators on both sides have gone on record for. We voted in a bipartisan way to make it clear that this was a year of transition.

But I have to just say it: I do not think it is a smart strategy either for the president to continue with his open-ended commitment, which I think does not put enough pressure on the new Iraqi government, nor do I think it is smart strategy to set a date certain. I do not agree that that is in the best interest of our troops or our country.

(APPLAUSE)

PROTESTER: (OFF-MIKE)

CLINTON: It is also important that we recognize the real dangers we face. And sometimes this is a difficult conversation...

PROTESTER: (OFF-MIKE)

CLINTON: ... in part, because this administration has made our world more dangerous than it should have been.

We were united as a nation after 9/11. We had a commitment that we were going to go after the people who had attacked our country. And this administration didn't follow through.

CLINTON: And now we have problems in Afghanistan, we have problems in Iran, we have problems in North Korea, we have a really competitive challenge from China.

We need steady, smart leadership. And the only way we can begin to get that is to elect a Democratic Congress that can hold this administration accountable and ask the hard questions and chart the new course that we need.

(APPLAUSE)

And the second most important thing to do is to have a new energy policy so that we are not dependent upon regimes that are going to undermine our security, our economy and our environment.

(APPLAUSE)

So there is a lot of work to be done. And I have been inspired and energized by the activism and the commitment to a new progressive agenda. It is what I have worked for and cared about my entire adult life.

But if we're going to win in November, then we have to be smarter, tougher and better prepared than our opponents, because one thing they do know how to do is win.

And we have to reach out to people who may not yet agree with us. And we have to talk about the range of issues that are on their minds that they talk about around the kitchen tables.

We have to ask them if they're satisfied with a government that is undermining personal privacies, civil liberties, civil rights, our constitutional democracy, because I don't think most Americans are.

I've increasingly had Republicans come to me and say that they've had enough. And I said, "Well, why? What's happened?" And they say, "I didn't sign up for all of this." "What do you mean by 'this'?"

For some, it's the deficit and the reckless fiscal policies. For some it was the unbelievably shameless exploitation of Terri Schiavo and her family in a moment of great tragedy.

(APPLAUSE)

For some it was the assault on Social Security. For some it is the Iraq war and our failure to protect our homeland with the incompetent policies and misplaced priorities of this administration.

For nearly everyone it was Katrina. How could we let that happen?

Well, the best way we can prevent it from ever happening again is to stand up, stand up for progressive values and progressive politics, but stand up for winning elections, because we can yell at the TV. Now that I have TiVo, I yell at it again.

(LAUGHTER)

But we've got to win elections or it won't matter.

So let's make sure our elections are of integrity. Let's make sure we count every vote. And let's take back the Congress in November and begin our return to take back our country.

Thank you and God bless you.

(APPLAUSE)

END

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS REMARKS ON PRIVACY RIGHTS TO THE AMERICAN CONSTITUTION SOCIETY FOR LAW & POLICY CONVENTION, 6/16/2006

CLINTON: Thank you very much, Paul. It is wonderful to be here this morning and I greatly appreciate the opportunity to come before you and speak on a topic that is timely every day -- once again today: namely, privacy rights.

It's a little bit daunting, though, to be introduced by someone who's one of the great practitioners of privacy rights law, as Paul is.

You know, the depth of experience that ACS now represents is a big part of the success of this organization, from Paul to your executive director, Lisa Brown, to your founder, Peter Rubin and many others who are part of this movement.

Since I spoke at the founding convention three years ago, ACS has grown exponentially. And you're filling an unmet need for a rigorous legal approach that is true at its core to the values of human dignity, individual liberties and access to justice on which our nation is founded.

And your Constitution in the 21st Century project, from Harold Koh on torture to Pamela Karlin on the Voting Rights Act, is doing great work. So I want to thank all of you for everything you are doing and urge you to keep making your voices heard on these essential issues.

I am giving a speech today about one of the most important issues facing us as individuals and as a nation.

I believe we are a country headed in the wrong direction in many ways, and it's time to take some fundamental changes in direction in order to make our economy work for all people, to protect our national security in a realistic, effective way and preserve our values.

Well, privacy is at a crossroad of all of these issues. And modern life makes many things easier and many things easier to know. And yet privacy is somehow caught in the cross-hairs of these changes.

Our economy is increasingly data-driven. We've dramatically ramped up surveillance, in our efforts to fight terrorists who hide among innocent civilians. But every day, the news contains a story of how the records of millions of consumers, veterans, patients have been compromised.

At all levels, the privacy protections for ordinary citizens are broken, inadequate and out of date.

Back when I was in law school, the dark ages -- that's actually what our dean at the time called it...

(LAUGHTER)

... the first thing we learned about the right to privacy was that it sprung from the mind of Louis Brandies, beginning with a Law Review article in the 1890s and later in the famous Olmstead dissent that first set out what later courts have recognized as our constitutional right to privacy.

Justice Brandeis, as I'm sure you all recall, wrote that the framers recognized the significance of man's spiritual nature, of his feelings and of his intellect. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations.

As Brandeis put it, "The Constitution confers the right to be let alone -- the most comprehensive of rights and the right most valued by civilized men." The right to be left alone.

Now, I can just imagine some of you thinking, "What on Earth would I know about that?"

(LAUGHTER)

I'm sure you might find it slightly ironic for me to have chosen the topic of privacy for this talk, since I seem to have so little of it in my own life.

Now, my experience with privacy policy has been, let us say, unique. I'm not the victim of identity theft, though I do sometimes see myself referred to in the media and wondering who they're talking about.

(LAUGHTER)

But having lost so much of my own privacy in recent years, I have a deep appreciation of its value and a firm commitment to protecting it for all the rest of you.

(LAUGHTER)

And I hope that you will take these remarks with that thought in mind, since I am an expert in the perils of losing your privacy.

CLINTON: Most people cherish their privacy, that fundamental desire to be let alone. They see it as essential to their liberty that they be able to go about their daily business free from surveillance and interference.

And yet in modern society without greater safeguards we are all open books to whomever has access to the data we create every day, from credit cards to store cameras to phone company records.

The challenge we face is how to take advantage of all the advantages of technology without losing something precious, which is, I think, the challenge that we confront individually and as a society.

Now fortunately, we have a uniquely American way of thinking about the privacy challenges we face. It's as old as our Constitution and as new as the firewalls on the Internet. It's called checks and balances.

Now that has a specific constitutional meaning to all of you in this room today, but it also has a broader, colloquial meaning that is part of the genius of American society, our ability to balance and safeguard our cherished values, even as we take full advantage of new innovations.

I believe it's not just a possibility, but a necessity that we preserve our right to privacy while we also participate freely in the modern world and defend our national security.

But if we keep going as we are there will be little left of that cherished right. Every phone call, every Internet search, every credit card purchase, they are all under potential surveillance from business and government, unless we start to draw the line, reinforce people's basic rights, and put checks and balances into our system.

Now privacy and national security have gone hand in hand since America's beginning. When the framers adopted the Fourth Amendment, they had in mind the intrusive and threatening searches that British authorities felt free to carry out on a whim.

Well, we're reminded of that again today, with the Supreme Court's decision. The value of the Fourth Amendment is as strong and important now as it was back when British soldiers were garrisoned involuntarily in people's homes.

The 1967 Katz decision demonstrated how this right evolves with technology, establishing a right to privacy respecting wiretaps. So too, the 2001 opinion by Justice Scalia prohibiting the police from using a thermal image to scan a home without a warrant.

Privacy is not and should not be a liberal value or a conservative value. It is, fundamentally, an American value. It is a human value.

Privacy means security in our homes and in our private communications and activities. It is synonymous with liberty in the sense that every person enjoys a zone of freedom that government may not violate.

And we have to operate from a presumption that the Fourth Amendment means that no matter how easily our privacy can be violated, that we still have a basic right to protect the collection and dissemination of information about ourselves from our government.

Now we have to remember that we also have to remember that we also have to start all analysis of privacy with this basic notion: Individuals have a right to privacy unless there is a compelling reason to breach it.

CLINTON: But privacy is not to be the exception. It is the standard.

Today our privacy comes into uncertain conflict with security cameras, data mining, computer hackers and identity theft. We're concerned not just with government actions, but with the ability of the private sector -- even our neighbors -- to misuse or provide insufficient protection for our personal information.

So, therefore, we do need legal protections that are up to date with the technological and national security needs of our time for a world in which we can be confident that our security and our privacy are both protected. And that's what I would like to propose today.

Well, right now many Americans are frightened and confused about losing their privacy. We see patterns of carelessness and outright fraud at the same time as we are exposed to data-gathering and marketing gimmicks at every turn.

According to the nonprofit Privacy Rights Clearinghouse, the personal information of more than one in four Americans -- 85 million people -- has been compromised in just the last 15 months.

Now, some of these were massive breaches, like the theft of a single Veterans Administration laptop with the Social Security numbers and medical information of 26.5 million people.

Just this year, in my state of New York, an armed robbery in New Jersey netted private information on 17,000 patients from a New York hospital. A hacker broke into a retail Web site in Buffalo and stole credit card data. Data tapes for virtually every employee of the Long Island Railroad were lost by a delivery service.

Two laptops full of employee data were stolen from Verizon. A hard drive containing information on 300,000 certified public accountants was lost in shipment. A laptop with bank account information was stolen from a subcontractor in Buffalo.

Now, that's more than half a million people affected in less than six months in one state.

And the personal stories can be heartbreaking. My office has heard from a minister, harassed wrongly by credit agencies; a woman whose trusted tax adviser opened bank accounts and stole money in her name; a breast cancer patient whose mammography records were lost.

CLINTON: But at the same time, Americans are asking: Privacy at what price -- when we are confronted by criminals and terrorists who respect none of our core values? Terrorists don't hesitate to use modern information technology, cell phones and the Internet, and we need to be able to track them.

Meanwhile, new techniques like data-mining have changed many of the things we thought we knew about surveillance.

Americans are genuinely unsure about whether we can keep both our privacy and our security. But this is one of the most fundamental questions about what kind of country we will be. How we greet the challenges of more connected, data-driven world like our own while preserving our core values requires that we take a new comprehensive policy look at what to do to promote a true privacy agenda.

I'm proposing that we have a new privacy bill of rights that secures the interests of consumers, provides stronger, better enforced protection for medical privacy, and a new national security consensus, setting out clear rules to allow the government to use new intelligence techniques within a rule of law framework and making sure that the public knows its rights and the government's limits.

When you talk about privacy, we can start where most people live, which is consumer privacy. Few of us would go back to the days when we made all our purchases with cash and we could only get money out of the bank during what used to be called "bankers' hours."

In fact, information technology often makes us and our personal information safer. We don't have to carry large amounts of cash around. We can pay bills electronically rather than by mail.

But the public doesn't feel more secure. And with stories like ChoicePoint or Bank America or the V.A. theft in the news, they have good reason not to.

So we need a new set of consumer protections that boil down to three basic rights. First, people have the right to know and to correct information which is being kept about them.

Second, people have the right to know what is happening to their personal information when they are cooperating with a business and to make decisions about how their information is used.

And third, in a democracy, people have the right and the obligation to hold their government and the private sector to the highest standards of care with the information they gather.

These rights should be basic to all of the commercial transactions we undertake and be part of a basic privacy bill of rights that has to be adhered to by every commercial information gatherer or marketer.

CLINTON: Now, my privacy bill of rights will be encapsulated in the Protect Act, which stands for -- you know, when you're in the Congress you have to find acronyms.

(LAUGHTER)

You spend hours figuring out how to describe your legislation in words that can then spell something.

(LAUGHTER)

So I give my staff full credit for this.

But the Protect Act, which stands for Privacy Rights and Oversight for Electronic and Commerce Transactions.

Pretty good, huh?

(LAUGHTER)

This legislation not only provides clear privacy rules, but it gives clear protections for your most privacy information. The right to sue when those rules have been violated. The right to protect your phone records. The right to freeze your credit when your identity has been stolen. The right to know what businesses are doing with your credit and credit reports. And the right to expect the government to use the best privacy practices itself with your information.

We should start with the principle that for the most deeply personal information about how we spend money on a daily basis, your information should be shared only when you opt in.

We know that a booming industry is tracking every purchase you've made with your debit or credit cards or personal checks. This means that if you failed to check that tiny little opt-out box on your credit card company or your bank privacy statement, there may be a profile on what you read, what you wear, in what size, and what over-the-counter drugs you take and what books and music you buy.

And that profile then may be bought and sold and shared with third parties every day.

The opt-out protections under current law can be helpful, but for some things, the default privacy agreement should be that companies cannot share this information without your explicit agreement to opt in.

Opt-out protection essentially assigns property rights for your personal information to financial institutions, while opt in awards ownership to consumers.

I believe opting in for these types of transactions would reinforce the relatively simple and reasonable concept that you own your information about yourself and you should have control over when, how or if it is shared.

The foundation of our legal system is the right to seek redress through the courts. Right now we have no set definitions of what privacy violations cost the individual and little incentive for banks and other businesses in many instances to protect your data with the highest level of security.

As a result, it is very hard for consumers to sue. Legislation I'll introduce will create a tiered system of damages, exempting the smallest business with set minimums of \$1,000 for breaches and \$5,000 for actual misuse of information.

CLINTON: The burden of prevention belongs on the companies that handle our data.

We established this principle for stolen credit cards in the 1968 Truth in Lending Act. And that has spawned a whole industry of credit card protections which is constantly improving to outwit thieves.

We need the same standards for other information.

Right now, the rules covering data processors are unclear, especially in cases where projects are outsourced. We need the FTC to issue a single clear set of rules that provides comprehensive protection against unauthorized access or security breaches.

Right now, it's too easy to purchase, post or trade cell phone numbers and records. Canadian government officials, journalists, even General Wes Clark have had their cell phone numbers and records sold to anyone willing to put up the money.

And those are just the cases we know about, because reporters and bloggers were doing the buying to draw attention to the threat.

Buying and selling that kind of information is a gross invasion of personal privacy. But it's not clear that it is a crime. And this is only going to get more challenging as consumers move to phone service based on broadband Internet technology, for which no regulations currently exist.

My legislation will try to get ahead of the curve of technology, making sure that consumers' private cell phone numbers and call records remain private.

Right now, if you've been victimized, you can place a credit alert but you cannot freeze your credit.

CLINTON: If you're a veteran concerned about your credit because your Social Security number has been compromised, you should be able to call Equifax and say no access and no new credit.

We also have to strengthen the right to know provisions. If your credit or identity is compromised, you should be notified immediately, not days, weeks, even months later. Because this is required in some states, but not all, a large percentage of identity theft victims are unaware that anything has happened to put their information at risk.

Some firms are now sending data abroad for processing, away from the protections of U.S. law. As inadequate as it is, at least it is a framework better than you'll find in most of the rest of the world.

The potential dangers of this practice are illustrated by the case of an employee in a Pakistani data center, doing cut-rate clerical work for an American medical center, who threatened to post patients' confidential files on the Internet unless she was paid more money.

Moreover, last year, employees doing data processing work for an Indian outsourcing company stole \$350,000 from four Citibank customers.

Last year I proposed the safe ID bill, which ensures that consumers will be notified when their personal data is sent abroad, and they should have the right to opt out.

This would have two benefits. Again, putting the control of information in your own hands, but also sending a message to other countries that if they want to continue employing people in this very lucrative, rapidly growing area of information handling, they need to strengthen their own laws.

The credit industry makes its profits from information that determines whether you can buy a home or send your child to college. You ought to have that information provided to you once a year without paying a fee or jumping through hoops. It shouldn't be a goldplated, extra fee service to let consumers know when someone changes their credit ratings. And we need to make that standard practice.

Across the federal government, privacy concerns are not getting the priority attention they deserve. The results are embarrassing to this administration and unacceptable for citizens whose privacy and security may be at risk from their own government's sloppy practices.

That's why the Protect Act would create a high-level privacy czar in the Office of Management and Budget.

CLINTON: A chief privacy officer for our government would have oversight into the working of every government department and power to make sure that the law is being followed and best practices being implemented.

We had such a position in the Clinton administration, but the current administration chose not to follow that model.

There's no better example why we need a so-called privacy czar than the theft last month of the personal data of those 26.5 million veterans and more than 1 million active-duty service men and women.

And just yesterday we learned that an off-shore medical transcription subcontractor for the V.A. threatened to post the medical histories and health information of over 30,000 veterans online over a payment dispute.

This tells us that the oversight of data-processing procedures at the management level of our federal agencies is insufficient at best, since several V.A. officials, including the director, were not even aware that their contractors were sending the most sensitive information of our veterans to countries with few privacy and data- security regulations.

It's part of the reason we need the safe I.D. protections I mentioned earlier, but we need to go farther. This week, I joined with Democratic colleagues to demand accountability from the administration for this personal data theft of millions of records. We're asking that the U.S. comptroller general conduct an in-depth study to get the facts on this breach and address the vulnerabilities that led to it.

We also introduced legislation to establish federal penalties for people who knowingly use personal or health information from a federal database.

The theft of this data and the administration's lax response is a disgrace. Soldiers serving in harm's way should not have to bear the additional burden of worrying about identity theft, and we need to get to the bottom of this to prevent it from happening again.

Perhaps if we'd had the office of the chief privacy officer this might not have happened or would have come to light much sooner.

We also face a critical balancing act in the area of health privacy. Patients' lives may depend on sharing their most intimate information.

CLINTON: Our ability to control costs and improve the quality of health care certainly depends on moving away from paper-based medicine to information superhighway medicine.

I've worked with Newt Gingrich on this. And when Newt and I agree, you know something unusual is happening.

(LAUGHTER)

Newt likes to say, "When it comes to medicine, paper kills." And he's absolutely right. But if we can't assure Americans that their information is safe, we won't be able to move forward on Health Information Technology, that I believe will save billions of dollars, improve care, and reduce error rates.

We had no federal protections for health information at all until the Health Insurance Portability and Accountability Act, also known as HIPAA -- a different kind of acronym -- was enacted under the Clinton administration.

HIPAA provided important protections of patients' most private information, their medical information. HIPAA provides a baseline, but the business of health care is changing fast, and information technology is changing even faster.

Consumers are getting care and risking their information in ways that no one could have foreseen a few years ago. And this administration's indifference toward HIPAA and its enforcement has made even the protections we have utterly inadequate.

Now, HIPAA is not without practical challenges. There's still confusion about the rules for releasing information to relatives, for example. We're still trying to strike the right balance between promoting research into diseases and protecting an individual's information.

We need to build on the base HIPAA provides by improving enforcement and making sure we have one set of high standards for everyone who deals with health information.

HIPAA was designed to have teeth, government monitoring, fines, legal actions against companies that violate the law. But instead of spot checks and audits, HHS waits for a complaint and then investigates.

There have been well over, I think, 35,000 complaints at the last count and not a single civil monetary penalty has been imposed. This is clearly not working. And because of lax enforcement, we're now seeing compliance with HIPAA on the decline because people know they won't be held responsible.

What's more, the Department of Justice ruled last year that employees of HIPAA-covered entities, like hospitals, for example, are not themselves automatically liable and, therefore, may not be held accountable for illegally accessing or misusing private information.

And hackers who break into computer systems that are covered in institutions that are accountable to HIPAA may also not be liable.

Now, this penalizes businesses that are serious about protecting privacy, and it penalizes Americans when they're most vulnerable.

CLINTON: We need to get back into balance on protecting medical information and enforcing the rules that we do have.

Now, consumers have all kinds of online options in health care. They can go to sites like WebMD for medical advice. They can create Internet-based personal health records that keep all their information in one place.

But HIPAA doesn't protect you if these new services violate your privacy. So we need to strengthen federal protection so there is no debate: Everyone who traffics in your health information is accountable, period, no exceptions.

And with the rapid growth of DNA databases and the many uses of genetic information on the horizon, we must also ensure that this information is protected to prevent genetic discrimination.

In 2000, my husband issued an executive order banning genetic discrimination in the federal workplace. I've been working with my colleagues in the Senate to enact legislation to ensure that these protections apply to the private sector.

Developments in science should move us forward, not reverse progress, and discrimination based on genetic information to get a job, to get insurance, could be a devastating blow to so many people if this is left unchecked. so many people if this is left unchecked.

CLINTON: And finally, when it comes to national security, we have seen, to our dismay, that this administration is not doing a good enough job in protecting personal information of veterans, Medicare and Medicaid patients. And we have grave doubts about whether it even cares to protect personal information about citizens.

We learned just a couple of days ago, that in September of last year, a computer hacker was able to steal the personal records of at least 1,500 employees and contractors of the National Nuclear Security Administration. That is the federal agency charged with guarding our country's nuclear weapons stockpile.

This time, it was personal information. Next time, who knows what kind of information will be compromised or how either forms of information could be used.

The writing is on the wall. It is in neon. It is time to get serious about cybersecurity.

Unfortunately, the task of beefing up our cybersecurity has been kicked around multiple offices at the Department of Homeland Security. Several political appointees have quit in frustration.

We are just living on borrowed time. We need to make sure we are better prepared against cyberattacks than we turned out to be against hurricanes.

We also face the challenge of balancing the vital role that information technology plays in defending our national security with our citizens' rights to privacy.

So much of what we know about terrorists and the successes we've had in preventing and thwarting attacks and tracking would-be perpetrators has been through information technology. We track terrorists across continents through their cell phones. We monitor terrorists and their supporters through Internet chat rooms.

We had phone intercepts that should have given us advance notice of 9/11, if we had been paying attention.

Now, although our founders could not have imagined data mining or terrorist cells, they did anticipate differences of opinion between the executive and legislative branches and even within them. And they created the system of checks and balances enshrined in our Constitution.

Now, I believe that the president -- and I mean any president -- must have the ability to pursue terrorists and defend our national security with the best technology at hand. But we have existing laws that allow that.

CLINTON: The Foreign Intelligence Surveillance Act, or so-called FISA; we have judicial mechanism in place that this administration could have used to obtain authority for what it did.

We have a system of congressional oversight and review that this administration could have used to obtain a legislative solution to these challenges.

Instead, they relied on questionable legal authority and bypassed our system of checks and balances.

In the months since NSA's activities have come to light, both the legislative branch and the judiciary have attempted to learn more about the administration's surveillance programs.

In denying Congress and the courts any information, the administration's refrain has been: "Trust us."

They've used it to justify frustrating legislative oversight, denying the Department of Justice's Office of Professional Responsibility the clearances they needed to conduct an internal investigation. And just a few days ago, we learned that they are now invoking the state secret exception to shut down any judicial review of their conduct through assertion of that privilege.

That's unacceptable. Their track record does not warrant our trust.

Now this has been the subject of numerous decisions, not on this point exactly, but going back years. And in Justice Douglas' concurrence in the Katz warrantless wiretapping case in 1967, he said it very clearly and I think it still applies today:

"Neither the president nor the attorney general is a magistrate. In matters where they believe national security may be involved, they are not detached, disinterested and neutral as a court or magistrate must be. Under the separation of powers created by the Constitution, the executive branch is not supposed to be neutral and disinterested.

"I cannot agree that, where spies and saboteurs are involved, adequate protection of Fourth Amendment rights is assured, when the president and the attorney general assume both the position of adversary and prosecutor and disinterested neutral magistrate."

The answer to this delicate security dilemma is neither blank checks nor blanket opposition; it is to use the judicial and legislative mechanisms we have to build a consensus about what is necessary, what is legal and what is effective.

So first, Congress must have an oversight role and help decide where to draw the line between privacy and national security.

CLINTON: But we can't draw anything without knowing the facts. At a minimum, the House and Senate Intelligence and Judiciary Committees are entitled to know on a confidential basis, when and wherever necessary, the full extent and rationale for any electronic surveillance program.

If the executive needs additional authority to legitimately monitor and track terrorists, it should not just simply overlook and ignore the law. If the president feels he needs more flexibility in order to protect our security, he should engage Congress.

As our technology and methods become more advanced and creative, so should the protections we build into our system of checks and balances. It is a cause for deep concern that the administration did not seek changes to the FISA law to legitimize its surveillance program, but instead deliberately chose to act outside of the law.

Second, the judiciary has a critical role to play in guarding our privacy from unnecessary government intrusion. As a general rule, when the government wants to conduct electronic surveillance in the United States, it must go before a judge and obtain a warrant. There is no evidence that the courts have not taken seriously the national security imperatives asserted by the executive branch and effectively protected the security of sensitive information.

The FISA courts have a proven track record of being able to protect our security and privacy simultaneously. We can allow for carefully defined exceptions to the warrant requirement in the immediate aftermath of war and allowances can be made for greater flexibility. For example, warrants after the fact in cases of true emergencies. But as Justice Harlan said in the Katz case, warrants are the general rule.

Third, any framework for domestic surveillance must ultimately facilitate, not hinder effective intelligence gathering to prevent terrorism. Our surveillance capabilities must have speed, agility and flexibility. They must also be accurate, both to minimize false

positives, which unduly burden the rights of innocent people, and false negatives, which leave potential dangers undetected.

CLINTON: This can all be done within our system of checks and balances and within the rule of law.

The rule of law is not an obstacle, despite what some in the executive branch seem to believe. In fact, the rule of law facilitates our safety and security. Without clear rules, our intelligence analysts don't have guidance on how they should gather intelligence. The intelligence they do collect is distributed haphazardly throughout government agencies. And useful intelligence that could help bring terrorists to justice could be rendered worthless because it was gathered through extra-legal means.

If we want to protect our security and our privacy, we need clear guidelines, and we need to get smart about technologies.

One promising approach suggested by thinkers on both sides of the political spectrum is the use of anonymization. That's technology that protects the privacy of individuals while allowing the government to analyze data. This technology would essentially erase the personal identification attached to information that is monitored unless red flags are triggered.

But whatever our approach, we need to be as creative and imaginative in protecting Americans' privacy as we are in protecting our security. And we need to abandon the idea that privacy and security are somehow mutually exclusive.

You know, in our society, it is the people who have given their collective rights to the government to use only as necessary. The government derives its ability to undertake surveillance only because we have given it a limited right under justified circumstances.

And you don't have to go back many years to document abuses at the highest levels. As a very young lawyer, I worked for the House Judiciary Committee during the Watergate investigation. And our committee found that the president had not only bugged the Democratic National Committee with former CIA operatives, but had also created enemies lists and manipulated IRS audits.

Without the right checks and balances, we found out just how quickly the unthinkable can be done by people whose power is unchecked.

Now as there is a legitimate rush to step up our intelligence for real needs, let's not forget all the lessons we have learned over the past 220 years. What might seem sensible at the moment can be used unscrupulously in the future.

Unchecked mass surveillance without judicial review may sometimes be legal, but it is dangerous. Every president should save those powers for limited, critical situations. And when it comes to a regular program of searching for information that touches the privacy of ordinary Americans, those programs need to be monitored and reviewed as set out by Congress in cooperation with the judiciary.

CLINTON: That is the essence of the compact we have with each other and with our government, and we cannot ignore it.

So we don't need to abandon our cherished rights. We don't need more false debates: liberty versus security, privacy versus danger. What we need is to come together and develop a consensus about how to protect our privacy in a more data-driven and dangerous world.

This issue is too important to be dealt with haphazardly, and it is really too important to be ignored. So let's stand by a few cherished American ideals. Let's think intelligently about how to apply what we now face in the new century within the framework of values that have stood the test of time.

We are, after all, a country built on individual liberty, including individual privacy as well as collective safety and security. We have been very good over the years in resolving the tensions between those two points.

And as we look at the rights of the people and the imperative of the government, we need to see them from the same vantage point, not as competition, but as all of us seeking the kind of results that will make us a safer, freer people.

Our Constitution is fully up to the challenge of protecting our privacy and security. The real question is whether we are up to the challenge of enacting laws and implementing policies that honor that.

Thank you very much.

(APPLAUSE)

END

PRESS CONFERENCE, 6/20/2006

PRESS CONFERENCE WITH SENATOR EDWARD KENNEDY (D-MA); SENATOR HILLARY RODHAM CLINTON (D-NY); SENATOR RICHARD DURBIN (D-IL); REPRESENTATIVE STENY HOYER (D-MD); REPRESENTATIVE DAVID R. OBEY (D-WI); AND REPRESENTATIVE GEORGE MILLER (D-CA)

SUBJECT: RAISING THE MINIMUM WAGE

LOCATION: SENATE RADIO/TV GALLERY, THE CAPITOL, WASHINGTON, D.C.

SEN. **CLINTON:** Well, we all feel very strongly about this because what's happening is just wrong. This Congress is not acting on the priorities of the American people.

And we know that this minimum wage increase will mean the world to millions of men but particularly women, like Congressman Obey's mother, who's trying to keep body and soul together and put food on the table for her children.

It has been nine long years that this Congress has refused to give a raise for people working minimum-wage jobs, but sure take care of themselves time and time again. We're trying to raise the minimum wage to \$7.25 an hour over two years.

We know its real value has eroded. We know that a minimum-wage worker -- let's take a single mom with two kids who works 40 hours a week, 52 weeks a year, earns just \$10,700 a year. That is almost \$6,000 below the federal poverty line. And we're telling this hard-working mom, "Sorry, you're just not important enough for us to even vote on it." And we're saying, "You're just not important enough for the Republican majority to pass it."

Raising the minimum wage will make a real difference. This is not just, you know, some kind of side event that's going on here. We're talking about real money in the pockets of real working people. A minimum wage of \$7.25 would mean an additional \$4,400 a year. To pay for the rising cost of gas because of this administration and Republican majority's bad energy policies. To pay for food. To pay for health care and prescription drugs. To pay for tuition. To pay for all the necessities of life. It would mean enough money for a low-income family of three to buy 15 months of groceries, 19 months of utilities, 20 months of child care or two years of health care.

Now, my good friend Senator Kennedy and I have joined forces to introduce the Standing With Minimum-Wage Earners Act, which would also raise the minimum wage and link future increases to congressional pay raises, because as we know, we're continuing to give ourselves pay raises while we let other people just languish while the cost of everything goes up.

So I think the government should level the playing field and give people who work hard and play by the rules a raise.

Every day that we don't raise it, the value decreases. And if Congress continues to turn a blind eye, shame on the Republicans. I wish every minimum-wage worker in America could be here with us today and could tell his or her story about how hard they work, how early they get up, how late they stay up in order to do the jobs that are paying below the level of poverty for a family in our country.

So let's honor work. Let's honor people who play by the rules. And let's do the right thing and raise the minimum wage, finally, after nine long years.

REP. HOYER: I am pleased to join Senator Kennedy, Senator Clinton, David Obey, and my good friend, George Miller. George Miller and I have been working very hard on this minimum wage issue, joined by David Obey, on the House side. In fact, we offered the minimum wage increase to the Labor/Health bill just seven days ago. It passed, it passed with seven Republican votes and unanimous votes of Democrats -- 32 to 27. Mr. Obey and I and Mr. Mollohan offered it again today on another bill that could come to the floor and make this issue a reality for this 6.6 million Americans who rely on the minimum wage, and the other millions who rely on their earning capacity to help support their family. Those Republicans stuck with the minimum-wage earners just as long as they could -- about seven days. None of them voted for that raise today. Now, I can't explain that, and I'll bet nobody earning the minimum wage can explain that.

You've heard that this is the second-longest time that we've gone without raising the minimum wage -- from 1997 to today. It's the second. But nobody has mentioned the first. The first was the eight years of Ronald Reagan and the first two years of George Bush. Do you see an analogy there? Where Republicans are focused on giving Paris Hilton a tax cut when she inherits money. Now, I know everybody in America is worried about Paris Hilton and whether or not she has enough resources to get by day to day.

Ladies and gentlemen, this is an issue of fairness, this is an issue of what's right in America. And in fact, that's not Ted Kennedy, Hillary Clinton, George Miller and David Obey speaking, it is 81 percent of Americans when polled say it's the right thing to do to raise the minimum wage, because they know when you work hard and play by the rules, you ought not to live in poverty in the richest nation on the face of the earth.

We're going to keep fighting to raise the minimum wage (sic) until it passes, until we get a decent level of living.

In America, we expect people to work if they can. And we expect people to work because them to play their role in building our country and making it great. And if we expect them to work, they expect us to pay them a wage that is not keeping them in poverty. I hope the Republicans on both the Senate side and on the House side will let this matter just come to a vote.

It was supposed to be in the Labor-Health bill this week on the floor of the House of Representatives. The Republicans pulled that bill. I think they're pulling it because they're fearful that there will be enough Republicans who understand it's the right thing to do, or understand that the voters expect them to do it, so that it would pass. And apparently, the overwhelming majority of Republicans and their leadership don't want to do what is fair, what is right for working men and women in this country who are working at the very lowest levels, but who are making our country go. I hope they change their minds. We need to

pass an increase in the minimum wage so that not 10 years will pass before we give consideration to those folks.

George Miller.

REP. MILLER: Thank you very much, and I'm honored to join my colleagues.

You all know the issues surrounding the minimum wage. What we're reduced to here today is to plead with three leaders of the Congress -- Speaker Dennis Hastert, Majority Leader John Boehner, and Majority Leader Bill Frist -- and ask them in the name of simple decency and simple fairness and simple respect for America's families to increase the minimum wage.

Think what it means to these families where you get up and you go to work every day, all day long, and at the end of the year you end up poor. And you've done it for nine years without an increase, and yet you're trying to provide health care for your children. And you say, well, they have Medicaid. But the fact of the matter is, all of them are now being faced with deductibles, copayments, all of the increases that we see in prescription drugs as the states cut back. You're trying to provide an education, and you're getting lectures from Dennis Hastert and Bill Frist and John Boehner that you have to save more for your retirement because they're going to privatize Social Security and take it away. You're getting the lecture that you have to provide your health care. You're getting the lecture that you have to provide your children's education, you have to contribute more. And for nine years you haven't gotten an increase.

Who are these people to lecture these people about providing for their families when they won't make the basic law of this United States, the basic wage law of this United States, fair and decent for these families who go to work every day and end up poor?

Who are these leaders in Congress to suggest that these people can do more on less? As my colleagues have pointed out each and every one of these years, we've been provided a COLA. If they would have simply given these workers a COLA, it would have meant thousands and thousands of dollars to them over that nine-year period of time in which they could have provided for their families. They could have given their kids something extra. They might have even been able to set a little bit aside. They certainly may have been able to better meet the increased fuel cost or repair the car because we know they travel greater distances by public transportation and older cars.

Everything works against these families, and yet they go to work every day, but we don't respect their work. This Congress has got to change its course. It's got to go in a new direction. It's got to respect these families and their effort and what they do every day, and it's got to raise the minimum wage in the name of simple decency and fairness to the American public.

Dick?

SEN. DURBIN: I'm glad to join my colleagues from both the House and the Senate in support of this increase in the minimum wage. There was a time when this was not a political football. There was a time when presidents of both political parties considered this a moral obligation -- to increase the minimum wage periodically so people would keep up with the cost of living. But unfortunately, over the last nine years, it's become extremely political. A Republican Congress and a Republican president have said "no" repeatedly. It just strikes me as odd that the same party that wants to preach to us about the values and family values obviously doesn't value the families that are working hard every day to try to keep their kids together and their family together under the worst possible circumstances. These families need a helping hand. The cost of living continues to increase.

But we don't have time to deal with the minimum wage. See, we have to cut the estate tax. We have to spend our time eliminating the tax on the wealthiest people in America. Our problem is clearly, from the Republican point of view, we are not spending enough time

worrying about those who are so comfortable and so well off. Well, frankly, I think we have an obligation in our society to consider those who are working hard, who are part of America and look for representation in this chamber, in the Senate and in the House. They don't have well- paid lobbyists, that's for sure. They don't have them roaming the halls and attending our fundraisers. But they're the people who make up America and have made it great. They're the ones who really believe this is a land of opportunity, but they want a chance, they want an opportunity with a decent wage.

In the nine years that we have failed to increase the minimum wage, we have not failed to increase the wage of members of Congress. It's gone up over \$31,000 in that same period of time. That is disgraceful. It is shameful. I think we should be paid what we are worth, that's for sure, but we ought to pay these people what they are worth, and they're certainly worth a heck of a lot more than \$5.15 an hour.

I'm going to support Senator Kennedy's effort in the Senate. I think \$7.25 over two years is not unreasonable. It'll give people about \$4,400 more a year. It'll give them perhaps an extra dollar to be spent on quality day-care. So instead of leaving your child with that person nextdoor you're not too sure of, you might be able to leave that baby with somebody you can really trust. It'll mean being able to pay for some dental care, which today they can't pay for, or medical care or the basics of life which we all take for granted. It's long overdue.

Q Senator Kennedy, what's your plan for getting this to a vote in the Senate? Have you decided when you're going to offer this?

SEN. KENNEDY: When I introduced the legislation yesterday, it was going to be on a second degree to the Nelson amendment, and I was going to file the cloture petition on it, which would have guaranteed that we would have had a vote on Wednesday. The majority leader had indicated that he would give the assurance to those of us who are supporting increase in the minimum wage that we will get a vote on this prior to the time that cloture is enacted. And at the present time we're -- the two leaders are working out the time.

There is some possibility that it will be this afternoon, I think more likely probably tomorrow morning.

We were given the Republican alternative about 35 minutes ago, five minutes before I came in here. Our increase in minimum wage is effectively a page. It's on two pages, but it is one page long. Their alternative is 70 pages, and 52 pages are tax cuts for various industries. And that is being reviewed now by the Finance Committee and by the Budget Committee. We don't know whether the estate tax has been put in there or what else has been put in there. And it seems that we ought to have the report of the Budget Committee or the Finance Committee as exactly what the implications and what the cost of their proposal would be prior to the time that we vote on it. But there is a guarantee that we will have a vote. I expect there will be an alternative by the Republicans that will be inadequate and will be highly costly in terms of the budget.

Yeah, Rick.

Q Does that mean that the Democrats would not be prepared to support it? I mean, this same thing happened last year, as you recall. That is, the Republican alternative -- (off mike) -- the Democratic version, the Democrats -- (off mike) -- the Republican version. Is that going to --

SEN. KENNEDY: Well, first of all, we're not really sure what's in it. But it was completely inadequate. It was rather a cynical, desperate attempt at that time by Senator Santorum. And I don't think that -- I think people are -- as I mentioned earlier, are men and women of dignity, and I think they deserve more than a tin-cup contribution, myself. But we'll have a chance to review what it would be.

Yes?

Q Senator, is there any scenario under which there could be a straight up-or-down vote where you just need to get 51 to pass it, or is this guaranteed to be something where you need to get to 60? And can you get to 60?

SEN. KENNEDY: Well, it's a challenge to get to 60 votes. We have gotten that in the past. And when we have, if you look over the period in the '90s, we were able to get more than the 50 votes when the House of Representatives showed life, like they're showing now; where Republicans began to show some independence and to show that they were prepared to vote for an increase.

And then, remarkably, Republicans in the Senate showed a willingness to get an increase and we got an increase.

But the only way that we can get a vote is by running through the parliamentary gymnastics which the Republican leadership require us to do, require us to do, and that requires that we'll have to get 60 votes. But we'll do everything that we can that -- and we've been in the low 50s before.

And it seems to me what has been happening in the countryside is the dramatic difference. That is what is influencing, I think, the House and the Senate. You have what has happened in Arkansas, the home of Wal-Mart, moving; when you have what has happened in Florida, what's happened in Nevada, North Carolina -- these -- all across this country there's increasing action in increasing the minimum wage, and in a great many cities, the living wage, which is even significantly above this.

Just a final point on the living wage. What you're finding out in cities -- and the clearest example was Baltimore when they did that, the total cost of government went down because their workers were getting paid more, so they had less turnover, so it was less costly to train people; they had better attendance records, and they had a higher quality of productivity. And so the whole total cost, even though they were paying people more, actually went down. Pretty good lesson that if you treat people decently and fairly, that they're going to perform their duties. And it's too bad that our Republican friends don't understand.

Go ahead.

REP. HOYER: I'd like to make a comment on that question, if I can, because that's going to be an issue in the House. We added the amendment that I offered to the Labor/Health bill. It is, however, legislation on an appropriations bill and it will have to be protected by a waiver in the rule. We're going to make it very clear, and we hope you'll help us make it very clear, that the up-or-down vote to which you refer will be on the rule. Very clearly, if they do not protect the minimum wage, which passed 32 to 7 (sic\27) -- the increase by 70 cents over -- \$2.10 over two-and-a-half years, that will be the vote on whether or not a member is prepared to increase the minimum wage.

And as Senator Kennedy mentioned -- I mentioned 81 percent -- he mentioned Florida - 72 percent of the voters in Florida went to the polls and voted to increase their minimum wage and to build in a cost of living escalator. There's no doubt that the overwhelming majority -- 21 states have now got a minimum wage higher, set by state, than we do at the federal level. There's no doubt the public's really behind this.

Q Senator Clinton, one thing that has changed in the last nine years is that there have been a lot of very low-wage jobs created in places like China, with -- where the wages are way below the current U.S. minimum wage. Can you -- how has that fact changed the terms in this debate? Does it affect this debate in any way?

SEN. **CLINTON:** I don't believe it does, in large measure because many of the minimum wage jobs that people take are jobs that can't be outsourced. You know, they're jobs that are here on the ground, taking care of people in nursing homes, serving people food in

restaurants, cleaning up bathrooms in hotels. I mean, these are jobs that are necessary for the economy and are very important to keeping the economy going.

The other point I would make, though, is, we have to do more to competitive, to keep our jobs here, but we can't sacrifice our standard of living and the wages that enable Americans to lead decent lives and give their children better futures. There's no evidence whatsoever by any of the economic studies that I've reviewed which suggests that this would be a job-killer for any reason, including the reason that you mentioned.

Q Senator Clinton, to make a segue from some of the workers that you referred to, some of them are immigrants, some of them are illegal immigrants. And Senator Kennedy, I want your comment as well. Speaker Hastert indicated today that the chairmen of relevant committees in the House would be conducting field hearings. Essentially, it seems that those would be on the Senate bill. Some have said this is a way to kill any sort of immigration bill this year and getting to conference would be impossible if you're doing it over the entire August recess. I wonder what you make of Speaker Hastert's move to do this.

SEN. **CLINTON:** Well, I should let my friends from the House answer that, because they know more about what's going on over there.

From my vantage point, it looks like another effort to score political points by refusing to do what needs to be done to deal with the problems we face in America. You know, there's that old slogan, "The won't-do Congress won't do." And this Congress sure won't do anything that's in the best interests of Americans, so far as I can tell.

And we passed a comprehensive bill over here, and I think, rather than dealing with it, they want to try to score political points. But you know, obviously the folks from the House can answer that.

REP. HOYER: I think the Republican Party is deeply divided on what it wants to do with immigration. The House Republicans are deeply divided from the president of the United States, their president. The president disagrees, essentially, with a lot of Republicans in the Senate. The Senate Republicans disagree with the House Republicans. So they're deeply divided, so in my opinion, this is a device to try to put off the issue, so that they don't highlight their divisions, number one.

Number two, this minimum wage is critical as it relates to that because there's an assertion that, jeez, Americans don't want a lot of these jobs. The fact is Americans can't survive on the salaries that these jobs pay. If we put the salaries up, if we give them a decent wage, then they could take these jobs and there wouldn't be as much incentive for people to come across our border.

SEN. KENNEDY: I think the action by the House of Representatives to reopen a series of hearings on comprehensive immigration reform is a cynical effort to delay or kill a comprehensive immigration bill. This legislation that we had passed in the United States Senate had two and a half years of hearings. We had extensive debate on the floor of the United States Senate.

The House of Representatives is strongly in favor of a criminalization of all the undocumented in this country. They have passed legislation that overwhelmingly reflects that view, that every undocumented will effectively be a felon, and any individual Americans or any group of Americans, any church, any non-governmental agency that helps and assists any of those who are undocumented will also be open to prosecution as assisting felons.

So that has been the attitude and the view of the House of Representatives. And I think many of us in a bipartisan way -- because there's a bipartisan effort -- Senator McCain has been a remarkable leader; Lindsey Graham; Chuck Hagel; the whole series of Republicans have been remarkable leaders in getting a good bill through the United States Senate. And we want to do what the Constitution says that we should do and what I think the broad majority of Americans want us to do, and that is to sit down and work out an effective

program that'll reflect many of the ideas of President Bush, who's a strong supporter of a comprehensive approach and will be in the best interest of the security of our country by having strong border security in fairness and ensure appropriate kind of legal enforcement and -- by our employers and also permit an adjustment of status with the penalties which have been outlined in the Senate bill.

Thanks very much.

DEMOCRATIC MEMBERS OF CONGRESS HOLD A NEWS CONFERENCE ON THE MINIMUM WAGE, 6/20/2006

CLINTON: We all feel very strongly about this, because what's happening is just wrong. This Congress is not acting on the priorities of the American people. And we know that this minimum wage increase will mean the world to millions of men, but particularly women, like Congressman Obey's mother, who's trying to keep body and soul together and put food on the table for her children.

It has been nine long years that this Congress has refused to give a raise for people working minimum wage jobs, but sure take care of themselves time and time again.

CLINTON: We're trying to raise the minimum wage to \$7.25 an hour over two years.

We know its real value has eroded. We know that a minimum wage worker -- let's take a single mom with two kids who works 40 hours a week, 52 weeks a year, earns just \$10,700 a year.

That is almost \$6,000 below the federal poverty line, and we're telling this hardworking mom, "Sorry, you're just not important enough for us to even vote on it," and we're saying, "You're just not important enough to the Republican majority to pass it."

Raising the minimum wage will make a real difference. This is not just, you know, some kind of side event that's going on here; we're talking about real money in the pockets of real working people.

A minimum wage of \$7.25 would mean an additional \$4,400 a year to pay for the rising costs of gas because of this administration and the Republican majority's bad energy policies; to pay for food; to pay for health care and prescription drugs; to pay for tuition; to pay for all the necessities of life.

It would mean enough money for a low-income family of three to buy 15 months of groceries, 19 months of utilities, 20 months of child care or two years of health care.

Now, my good friend Senator Kennedy and I have joined forces to introduce the Standing with Minimum Wage Earners Act, which would also raise the minimum wage and link future increases to congressional pay raises, because as we know, we're continuing to give ourselves pay raises while we let other people just languish while the cost of everything goes up.

So I think the government should level the playing field and give people who work hard and play by the rules a raise. Every day that we don't raise it, the value decreases. And if Congress continues to turn a blind eye, shame on the Republicans.

CLINTON: I wish every minimum wage worker in America could be here with us today and could tell his or her story about how hard they work, how early they get up, how late they

stay up, in order to do the jobs that are paying below the level of poverty for a family in our country.

So let's honor work. Let's honor people who play by the rules. And let's do the right thing and raise the minimum wage, finally, after nine long years.

HOYER: I am pleased to join Senator Kennedy, Senator Clinton, David Obey and my good friend, George Miller. George Miller and I have been working very hard on this minimum wage issue, joined by David Obey, on the House side.

In fact, we offered the minimum wage increase to the Labor Health bill just seven days ago. It passed. It passed with seven Republican votes and unanimous votes of Democrats, 32-27.

Mr. Obey and I and Mr. Mollohan offered it again today on another bill that could come to the floor and make this issue a reality for those 6.6 million Americans who rely on the minimum wage and the other millions who rely on their earning capacity to help support their family.

Those Republicans stuck with the minimum wage earners just as long as they could, about seven days. None of them voted for that raise today.

Now, I can't explain that. And I'll bet nobody earning the minimum wage can explain that.

You've heard that this is the second longest time that we've gone without raising minimum wage, from 1997 to today. It's the second.

But nobody has mentioned the first. The first was the eight years of Ronald Reagan and the first two years of George Bush. Do you see an analogy there?

Where Republicans are focused on giving Paris Hilton a tax cut when she inherits money -- now, I know everybody in America's worried about Paris Hilton, whether or not she has enough resources to get by, day to day.

Ladies and gentlemen, this is an issue of fairness.

HOYER: This is an issue of what's right in America. And in fact that's not Ted Kennedy, Hillary Clinton, George Miller and David Obey speaking; it is 81 percent of Americans when polled say it's the right thing to do to raise the minimum wage, because they know when you work hard and play by the rules you ought not to live in poverty in the richest nation on the face of the Earth.

We're going to keep fighting to raise the minimum wage until it passes, until we give a decent level of living.

In America we expect people to work, if they can, and we expect people to work because we expect them to play their role in building our country and making it great. And if we expect them to work, they expect us to pay them a wage that is not keeping them in poverty.

I hope the Republicans on both the Senate side and on the House side will let this matter just come to a vote. It was supposed to be in the Labor-Health bill this week on the floor of the House of Representatives; the Republicans pulled that bill. I think they pulled it because they're fearful that there will be enough Republicans who understand it's the right thing to do or understand that the voters expect them to do it, so that it would pass.

And apparently the overwhelming majority of Republicans and their leadership don't want to do what is fair, what is right for working men and women in this country who are working at the very lowest levels but who are making our country go. I hope they change their minds. We need to pass an increase in the minimum wage so that not 10 years will pass before we give consideration to those folks.

George Miller?

MILLER: Thank you very much. And I'm honored to join my colleagues.

You all know the issues surrounding the minimum wage. What we're reduced here today is to plead with three leaders of the Congress, Speaker Dennis Hastert, Majority Leader John Boehner and Majority Leader Bill Frist, and ask them in the name of simple decency and simple fairness and simple respect for America's families to increase the minimum wage.

MILLER: Think what it means to these families where you get up and you go to work every day, all day long, and at the end of the year you end up poor. And you've done it for nine years without an increase. And yet you're trying to provide health care for your children.

And you say, "Well, they have Medicaid." But the fact of the matter is, all of them are now being faced with deductibles, co- payments, all of the increases that we see in prescription drugs as the states cut back.

You're trying to provide an education and you're getting lectures from Dennis Hastert and Bill Frist and John Boehner that you have to save more for your retirement because they're going to privatize Social Security and take it away. You're getting the lecture that you have to provide your health care. You're getting the lecture that you have to provide your children's education and you have to contribute more.

And for nine years, you haven't gotten an increase. Who are these people to lecture these people about providing for their families when they won't make the basic law of this United States, the basic wage law of this United States, fair and decent for these families who go to work every day and end up poor? Who are these leaders in Congress to suggest that these people can do more on less?

As my colleagues have pointed out, each and every one of these years we've been provided a COLA. If they would have simply given these workers a COLA, it would have meant thousands and thousands of dollars to them over that nine-year period of time, which they could have provided for their families. They could have given their kids something extra.

They might have even been able to set a little bit aside. They certainly might have been able to meet the increased fuel cost or repair the car, because we know they travel greater distances by public transportation and older cars.

Everything works against these families. And yet they go to work every day, but we don't respect their work.

This Congress has got to change its course. It's got to go in a new direction. It's got to respect these families and their effort and what they do every day.

MILLER: And it's got to raise the minimum wage in the name of simple decency and fairness to the American public.

DURBIN: I'm glad to join my colleagues from both the House and the Senate in support of this increase in the minimum wage.

There was a time when this was not a political football. There was a time when presidents of both political parties considered this a moral obligation, to increase the minimum wage periodically, so people would keep up with the cost of living.

But unfortunately, over the last nine years, it's become extremely political. A Republican Congress and Republican president have said no repeatedly. It just strikes me as odd that the same party that wants to preach to us about values and family values obviously doesn't value the families that are working hard every day to try to keep their kids together and their family together under the worst possible circumstances.

These families need a helping hand. The cost of living continues to increase.

But we don't have time to deal with the minimum wage. See, we have to cut the estate tax. We have to spend our time eliminating the tax on the wealthiest people in America.

Our problem is clearly, from the Republican point of view, we are not spending enough time worrying about those who are so comfortable and so well off.

Well, frankly, I think we have an obligation in our society to consider those who are working hard, who are part of America and look for representation in this chamber, in the Senate and in the House.

They don't have well-paid lobbyists, that's for sure. They don't have them roaming the halls and attending our fund-raisers. But they're the people who make up America and have made it great. They are the ones who really believe this is a land of opportunity, but they want a chance, they want an opportunity with a decent wage.

In the nine years that we have failed to increase the minimum wage, we have not failed to increase the wage of members of Congress. It's gone up \$31,000 in that same period of time. That is disgraceful. It is shameful.

I think we should be paid what we are worth -- that's for sure -- but we ought to pay these people what they are worth. And they're certainly worth a heck of a lot more than \$5.15 an hour.

I'm going to support Senator Kennedy's effort in the Senate. I think \$7.25 over two years is not unreasonable. It will give people about \$4,400 more a year. It will give them perhaps an extra dollar to be spent on quality day care, so instead of leaving your child with that person next door you're not too sure of, you might be able to leave that baby with somebody you can really trust.

It'll mean being able to pay for some dental care, which today they can't pay for, or medical care or the basics of life which we all take for granted.

DURBIN: It's long overdue.

QUESTION: Senator Kennedy, what's your plan for getting this to a vote in the Senate? Have you decided when you're going to offer this?

KENNEDY: When I introduced the legislation yesterday, it was going to be on a second degree to the Nelson amendment. And I was going to file the cloture petition on it, which would have guaranteed that we would have had a vote on Wednesday.

The majority leader had indicated that he would give the assurance to those of us who are supporting increase in the minimum wage that we will get a vote on this prior to the time the cloture is enacted.

And at the present time, the two leaders are working out the time. There's some possibility that it will be this afternoon; I think more likely, probably, tomorrow morning.

We were given the Republican alternative about 35 minutes ago, five minutes before I came in here. Our increase in the minimum wage is effectively a page. It's on two pages, but it is one page long.

Their alternative is 70 pages. And 52 pages are tax cuts for various industries. And that is being reviewed now by the Finance Committee and by the Budget Committee.

We don't know whether the estate tax has been put in there or what else has been put in there. And it seems that we ought to have the report of the Budget Committee, of the Finance Committee, as to exactly what the implications and what the cost of their proposal would be, prior to the time that we vote on it.

But there's a guarantee that we will have a vote. I expect there will be an alternative by the Republicans that will be inadequate and will be highly costly in terms of the budget.

QUESTION: Does that mean that the Democrats would not be prepared to support it?

I mean, this same thing happened last year, as you recall, where there was a Republican alternative and the Republicans moved to defeat the Democratic version and the Democrats moved to defeat the Republican version.

Is that going to...

KENNEDY: Well, first of all, we're not really sure what's in it.

But it was completely inadequate. It was rather a cynical, desperate attempt, at that time, by Senator Santorum. I think people are, as I mentioned earlier, men and women of dignity. And I think they deserve more than a tin cup contribution, myself.

But we'll have a chance to review what it will be.

QUESTION: Senator, is there any scenario under which there could be a straight up or down vote, where you just need to get 51 to pass it, or is this guaranteed to be something where you need to get to 60? And can you get to 60?

KENNEDY: Well, it's a challenge to get to 60 votes. We have gotten that in the past. And when we have, if you look over the period in the '90s, we were able to get more than the 50 votes when the House of Representatives showed life, like they're showing now, where Republicans began to show some independence and to show that they were prepared to vote for an increase. And then, remarkably, Republicans in the Senate showed a willingness to get an increase, and we got an increase.

But the only way that we can get a vote is by running through the parliamentary gymnastics, which the Republican leadership require us to do, require us to do, and that requires that we'll have to get -- we'll get 60 votes. But we'll do everything that we can, and we've been in the low 50s. And it seems to me what has been happening in the countryside is that dramatic difference. That is what is influencing, I think, the House and the Senate.

When you have what has happened in Arkansas, the home of Wal-Mart moving. When you have what has happened in Florida, what's happened in Nevada, North Carolina. All across this country there's increasing action and increasing the minimum wage and in a great many cities the living wage, which is even significantly above this.

Just a final point on the living wage. What you're finding out in cities, and the clearest example was Baltimore, when they did that, the total cost of government went down because their workers were getting paid more, so they had less turnover, so it was less costly to train people. They had better attendance records. And they had a higher quality of productivity.

And so the whole total cost, even though they were paying people more, actually went down. Pretty good lesson that if you treat people decently and fairly, that they're going to perform their duties, and it's too bad that our Republican friends don't understand.

HOYER: I'd like to make a comment on that question, if I can, because that's going to be an issue in the House.

We added the amendment that I offered to the Labor-Health bill. It is, however, legislation on an appropriation bill, and have to be protected by a waiver in the rule.

We're going to make it very clear, and we hope you'll help us make it very clear, that the up-or-down vote to which you refer will be on the rule. Very clearly, if they do not protect the minimum wage, which passed 32-7, the increase by 70 cents, \$2.10 over two and a half years, that will be the vote on whether or not a member is prepared to increase the minimum wage.

Senator Kennedy mentioned, I mentioned 81 percent. He mentioned Florida. Seventy-two percent of the voters in Florida went to the polls and voted to increase their minimum wage and to build in a cost-of-living escalator. There's no doubt that the overwhelming majority.

Twenty-one states have now got a minimum wage higher, set by a state, than we do at the federal level. There's no doubt the public's really behind this.

QUESTION: Senator Clinton, one thing that has changed in the last nine years is that there have been a lot of very low-wage jobs created in places like China where the wages are way below the current U.S. minimum wage.

QUESTION: How does that fact change the terms in this debate? Does it affect this debate in any way?

CLINTON: I don't believe it does, in large measure because many of the minimum wage jobs that people take are jobs that can't be outsourced. You know, they're jobs that are here on the ground: taking care of people in nursing homes, serving people food in restaurants, cleaning up bathrooms in hotels.

I mean, these are jobs that are necessary for the economy and are very important to keeping the economy going.

The other point I would make, though, is: We have to do more to be competitive, to keep our jobs here. But we can't sacrifice our standard of living and the wages that enable Americans to lead decent lives and give their children better futures.

There is no evidence whatsoever by any of the economic studies that I've reviewed which suggests that this would be a job-killer for any reason, including the reason that you mentioned.

QUESTION: Senator Clinton, you made your segway from some of the workers that you've referred to about how some of them are immigrant, some of them are illegal immigrants, and (OFF-MIKE) that would be your comment as well.

Speaker Hastert indicated today that the chairmen of relevant committees in the House would (OFF-MIKE) these field hearings. Essentially, as he says, it could be beyond the Senate bill.

Someone said this was a way to kill any sort of immigration bill this year, and getting to conference would be impossible, but you're doing it over the entire August recess.

I wonder what you make of Speaker Hastert's move to do this now.

CLINTON: Well, I should let my friends from the House answer that, because they know more about what's going on over there.

From my vantage point, it looks like another effort to score political points by refusing to do what needs to be done to deal with the problems we face in America.

You know, there's that old slogan: The won't-do Congress won't do. And this Congress sure won't do anything that's in the best interests of Americans, so far as I can tell.

And we passed a comprehensive bill over here and I think, rather than dealing with it, they want to try to score political points.

But you know, obviously the folks from the House can answer that.

HOYER: I think the Republican Party is deeply divided on what it wants to do with immigration. The House Republicans are deeply divided from the president of the United States, their president. The president disagrees, essentially, with a lot of Republicans in the Senate, as Senate Republicans disagree with the House Republicans.

HOYER: So they're deeply divided. So in my opinion, this is a device to try to put off the issue so that they don't highlight their divisions, number one.

Number two, this minimum wage is critical as it relates to that, because there's an assertion that, geez, Americans don't want a lot of these jobs. That fact is, Americans can't survive on the salaries that these jobs pay.

If we'd put the salaries up, if we'd give them a decent wage, then they could take these jobs and there wouldn't be as much incentive for people to come across our border.

KENNEDY: I think the action by the House of Representatives to reopen a series of hearings on comprehensive immigration reform is a cynical effort to delay or kill a comprehensive immigration bill.

This legislation that we had that passed the United States Senate had two and a half years of hearings. We had extensive debate on the floor of the United States Senate.

The House of Representatives is strongly in favor of a criminalization of all the undocumented in this country. They have passed legislation that overwhelmingly reflects that view, that every undocumented will effectively be a felon and any individual American or any group of Americans, any church, any nongovernmental agency that help and assist any of those who are undocumented will also be open to prosecution as assisting felons.

So that has been the attitude and the view of the House of Representatives. And I think many of us, in a bipartisan way, because there's a bipartisan effort. Senator McCain has been a remarkable leader. Lindsey Graham. Chuck Hagel. A whole series of Republicans have been remarkable leaders in getting a good bill through the United States Senate.

And we want to do what the Constitution says that we should do, and what I think the broad majority of Americans want us to do, and that is to sit down and work out an effective program that will reflect many of the ideas of President Bush, who is a strong supporter of a comprehensive approach, and will be in the best interests of the security of our country, by having strong border security, in fairness and assure appropriate kind of legal enforcement by our employers and also permit an adjustment of status with the penalties which have been outlined in the Senate bill.

Thanks very much.

END

"Larry King Live," CNN, 6/21/2006

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Larry, I think that the Democrats are doing the country a great service by having this debate. It's the Republicans who are all blindly following the president and refusing to ask questions, even conducting the most minimal kind of congressional oversight.

I'm very proud that the Democratic Party is once again listening to the concerns of the people and listening to the concerns of our men and women in uniform. We need a plan and we need a plan that will lead us to victory, both for our own benefit and for the benefit of the Iraqis.

KING: Senator Mikulski, would it be better if you all were uniform on that plan?

SEN. BARBARA MIKULSKI (D), MARYLAND: Larry, we are united. We're united on the goal that this is a year of transition so that the Iraqis can stand up, so that we can stand down.

We believe that the Iraqi people have now chosen a government, they're going to now form a government, and it's time then for us to have a phased way of withdrawing. So what we're united on is the goal. We're debating two different methodologies. But at least we're presenting ideas.

Where are the ideas of the Republicans? They say stay the course. There is no course. There is going to be a new strategy in Iraq. No, he goes and he has a stunt. Stunts and slogans are not a policy for bringing our troops back home and letting the Iraqis act like the sovereign people they want to be. So that's why we're the Democrats for change.

KING: Senator Murray?

SEN. PATTY MURRAY (D), WASHINGTON: I think what you hear Democrats doing on the floor of the United States Senate tonight is asking the questions that the American people are asking all of us.

When are we going to come home? What is the mission now? What is going to be the way we can declare success and bring it home? How are we going to find a winnable solution there? When is my husband or my wife or my son or my brother or my daughter finally going to come home and not get sent back again? We're asking those questions rather than the other side, which is merely saying, same thing that they did yesterday and two months ago and three years ago.

KING: And Senator Landrieu, that's better than united saying out now?

SEN. MARY LANDRIEU (D), LOUISIANA: Well, as we've expressed, the Democrats have a united plan for transition. But Larry, at home in Louisiana, where we're trying to rebuild the Gulf Coast, people are concerned about the cost of the war, now escalated to \$4.5-to-7 billion a month. You know, people are saying how are we paying for it? What is the plan? And so you know, those are issues that are really...

KING: And aren't lives the most important?

LANDRIEU: Yes, lives are most important. You can't put a price tag on a life, but people are starting to say at home, where are our priorities in terms of domestic investments and supporting our troops in a real way, not in a war that has no course and no end?

KING: And where are you on all this, Senator Lincoln?

SEN. BLANCHE LINCOLN (D), ARKANSAS: I think these ladies have done it well in that we are united on a year of transition and that we can't just stay the course. The American people don't want us to just stay the course. They want some answers. They want some solid plans of what we're going to do and redeployment in moving forward.

KING: Senator Clinton?

MIKULSKI: I think the Iraqis don't want us to stay the course. The Iraqi foreign minister in the newspaper said we're ready for you to leave by 2008.

KING: Senator Clinton, were you shocked that you were booed the other day at some conclave by Democrats when you said...

UNIDENTIFIED FEMALE: ... We all get booed, Larry.

KING: But these were your people, Senator Clinton, booing you.

CLINTON: Well, Larry, sometimes my mother boos me. We have a party that truly reflects the range of opinions in America. And I like that because it's real, it's authentic. And I know that people disagree with me on whether we should set a time certain, a deadline.

But I think the overwhelming majority of Americans and certainly of Democrats are saying, you know, our party is asking the hard questions, and that's what needs to happen. This is the first time that I can recall, just looking at our history, where we've had a Congress that has been absolutely supine. They've not asked a question. They won't cross this president and vice president. They won't ask for answers. And it's very troubling to me because the Congress is supposed to be a check and balance on the executive. And boy, if there's ever been a president that needed a check and balance, it's this one. But it's not coming from the Republican majority.

KING: Where do you stand, Senator Cantwell?

SEN. MARIA CANTWELL (D), WASHINGTON: I think it's very important given the amount of resources the United States and the loss of life and the impact on our military, that the United States play a larger role in saying where is the international community?

I've called for a U.S. envoy. You know, we've had former President Clinton and former President Bush go around the globe raising funds for tsunami relief, for Katrina relief. I'm fine -- send them to the Middle East and ask the countries to pledge support for the new Iraqi government so it can stand up and we can bring our troops home.

KING: And what response have you had to that request?

CANTWELL: Well, I'm hoping that they will be aggressive about the \$13.5 billion that's already been pledged to the Iraqi relief effort because reconstruction costs are the burden that the U.S. taxpayer is paying right now. We've had less oil, less water, less electricity than before the war. And it's time that we build international support with the ideas that the United States believes in and get the rest of the neighborhood in the Arab community to support the new Iraqi regime.

KING: We'll take a break. When we come back, we'll get to the checklist proposed today by these nine Democratic -- the nine Democratic women senators of the United States Senate. Don't go away.

(BEGIN VIDEO CLIP)

CLINTON: We need steady, smart leadership. And the only way we can begin to get that is to elect a Democratic Congress that can hold this administration accountable and ask the hard questions and chart the new course that we need.

(END VIDEO CLIP)

(BEGIN VIDEO CLIP)

FEINSTEIN: It's time the Senate placed the health of Americans ahead of the views of a limited number of people who are far from mainstream America. So today we challenge the Republican Congress to pass the stem cell bill this summer.

(END VIDEO CLIP) KING: Before we move to the checklist proposed today, let's -- we have a few e-mails we're going to get to tonight, asked from our Web site.

We have an e-mail question from Marilyn of Naperville, Indiana. She asks, "Why aren't our representatives and senators screaming from the rooftops of the Capitol about the brutal and vicious killing of two brave, young soldiers in Iraq?" Senator Feinstein?

FEINSTEIN: Well, we are. Let there be no doubt about it. This is hard to understand, how people act this way, how they torture, how they brutalize. And I think that's one more reason why we have to really take a look at where we're going and how we define victory, because what we're doing increasingly is putting our military in the middle of what is a vicious sectarian dispute where people go out, pick out if you're Sunni you get shot in the middle of the head. If you're Shia, you get knifed in the back.

And this is going on to the tune where 90,000 families have left their own country for fear of bloodshed. And my greatest worry is that the American men and women in our service get caught in the middle of what is an internecine civil war.

KING: Senator Mikulski, was it your idea to do the -- you're the dean of this group, right?

MIKULSKI: I'm Coach Barb here.

KING: Was it your idea about doing this checklist?

MIKULSKI: Actually, Larry, it was all of our ideas. We talk a great deal every day in the United States Senate about our constituents, about the concerns they've brought to us. And we

were really frustrated. And what we were frustrated about, that we've been in session for only 70 days.

Here it is June 21st, and we've been in session only 70 days, and nothing's gotten done. So we decided to be like women. Women have a checklist in order to get things done to keep our families on track. So we wanted a checklist to get the Congress back on track.

KING: And each one of you took one thing?

MIKULSKI: Yes. Mine's pensions. Debbie Stabenow is about jobs. Senator Feinstein is about stem cell research. And what we want to do is challenge the Republicans, first of all, to provide leadership, change the agenda. How about changing the tone, and then also changing the schedule? We've got 50 days left, and let's make colleges affordable, stabilize pensions. Let's get it done.

KING: Senator Stabenow, your bailiwick was keeping good jobs in America.

STABENOW: Absolutely.

KING: Everyone says they want to do that. How? STABENOW: Well, first of all, we want to export our products, not our jobs, in a global economy. And Larry, I think that we're really in a fight for a way of life in this country, and we've got two choices.

We can do what the Bush administration and the Republicans are saying, which is it's OK to be erased to the bottom with lower wages, more costs on healthcare and pensions, or we can do what we want to do, which is make it to the top.

And that means you enforce trade laws, you deal with healthcare and energy costs, and then you protect pensions and you race like crazy around education and innovation. People in Michigan know that. We know how to race to the top.

KING: Are you saying the opposition doesn't want that?

STABENOW: Well, you know, I sat through the president's latest State of the Union and didn't hear the word manufacturing once. Manufacturing built the middle class of this country. You can't have an economy without making things and growing things, which by the way, we do very well in Michigan.

And when you look at the fact that the middle class in this country are being squeezed on all sides and the choice they're being given is work for less, pay more for healthcare, pay more for gas, pay more -- you know, maybe lose your pension, that's not good enough, and we're here to say we're about making this a fight to the top.

KING: Senator Boxer, your area was protecting air, land, and water.

BOXER: Yes.

KING: Who's against that?

BOXER: Well, you'd be surprised. You know, I never thought I'd be nostalgic for Ronald Reagan, but he was far more of an environmentalist than we see with this administration. Let me be specific so it's not just vague.

Superfund -- you know what a Superfund site is? It's the most toxic waste sites, very dangerous chemicals. We have in our midst so many of these sites, dozens of these sites, all across our states, where the toxins are uncontrolled. Why? Because they haven't renewed the Superfund fee on the biggest polluters. They've forgotten about polluter pays. It's now on the backs of the taxpayers.

And they have slowed up cleanups to the point where under the Clinton administration -- yes, I'm extremely nostalgic for that -- they cleaned up 80 sites a year. They're cleaning up 40 sites a year, Larry, and they're leaving the most dangerous sites out of control, and it's harmful for our families.

KING: We'll move to all these checklists. The senators on this -- in this panel, at this -- looks like a hearing. Senators Cantwell, Clinton, Feinstein, and Stabenow are all up for re-election. Will you all support each other?

UNIDENTIFIED FEMALE: Oh, yes.

(CROSSTALK)

UNIDENTIFIED FEMALE: Oh, yes.

(CROSSTALK)

UNIDENTIFIED FEMALE: Of course.

(CROSSTALK)

KING: So you'll campaign for her? And you'll campaign for her?

CLINTON: Absolutely.

MIKULSKI: And we're like NATO. An attack on one is an attack on everyone.

(LAUGHTER)

KING: And if Senator Clinton were to win and run for the presidency ...

CLINTON: Oh, let's get back to the checklist.

(LAUGHTER)

KING: This is just an if. Would you all support her?

CLINTON: Oh, come on, Larry.

(CROSSTALK)

UNIDENTIFIED FEMALE: She's terrific.

KING: Would you all support her?

CLINTON: Larry ...

LINCOLN: She wants us to take one step at a time and get it right.

CLINTON: That's right.

UNIDENTIFIED FEMALE: We want to send her to New York first.

CLINTON: We want to focus on what we can get done in this Congress. And then we need to focus on our elections in November because, as you say, we're running for re-election.

(CROSSTALK)

KING: Just wanted to see who's there for you. We'll be right back with more of the checklist. You're watching -- and more e-mails too. You're watching LARRY KING LIVE. Don't go away.

(BEGIN VIDEO CLIP)

LANDRIEU: We need a new direction to keep our nation and our neighborhoods safe. And so we challenged this Republican Congress to put national preparedness on the agenda.

(END VIDEO CLIP)

(SINGING)

KING: I like that. I think it plays. We have, before we move back to our checklist, an e-mail question, asked on our web site, from Cheryl in San Diego, who asks, ladies, who are your picks for strong presidential candidates that the Democrats and independents in the country can support? Do you have any favorites so far?

BOXER: I'd say this, any one of these women could be on the ticket. President, vice president, I'm not kidding. They could.

KING: Any one of you?

BOXER: Any one of these women.

UNIDENTIFIED FEMALE: We love New Hampshire. We think Iowa's great.

UNIDENTIFIED FEMALE: Michigan's a swing state.

KING: How close are you, Senator Landrieu, I'm sorry, Senator Clinton, to a woman president?

LANDRIEU: I think very close, Larry. I think people are starting to see women the way we see ourselves, which is very strong and powerful leaders and able to lead in the public sector and the corporate sector. We most certainly lead in our homes and our neighborhoods and our schools. It really is a breakthrough in democracy. This is the greatest democracy in the world. It's not perfect, and it's getting better every day. And when women get their rightful place, that helps the whole country be stronger in the world as well.

KING: Senator Lincoln, can the Democrats take the Senate?

LINCOLN: I think they can. It's going to be difficult. We've got an uphill climb there. We've got to certainly maintain the four women here and keep their seats. And I think we will. But we'll have to have some gains in order to be able to retake the Senate.

KING: Senator ...

STABENOW: If I could just say.

KING: You may. STABENOW: We have two great women, Clara McCaskill and Amy Kobachar running in Minnesota and Missouri. And we'd sure love to make this 11 the next time on the show.

KING: How about the House, Senator Cantwell?

CANTWELL: Well, I think the House has got a lot of seats that are in play. And obviously, we're going to talk about this checklist because we think the priorities on here, making college education more affordable, the fact that this administration's budget for next year represents the largest cut to education in 26 years, when you talk to the students at home at Washington State University or University of Washington, they want affordable education. They want the doors open to education, not slammed shut.

KING: Senator Clinton, your area on the checklist was making America energy independent. Is that feasible?

CLINTON: Absolutely, it's feasible.

KING: Really?

CLINTON: Yes, it is, Larry. There are so many examples around the world where other countries have made a commitment to a clean energy, independent future. And we haven't done that.

KING: But we're a guzzling nation.

CLINTON: Well, that's right. But, we also don't have a federal legal framework that encourages people to make the right decisions and to get more effective transportation, more effective electricity generation and distribution. What I proposed today was a strategic energy fund where we really try to treat it like we did with the Apollo project, sending somebody to the moon.

Make it a national priority. Make the investments to do the research. It is absolutely feasible. But we don't hear that from our leadership in the White House or the Congress. And I think

that's a great mistake because we need to be energy independent in order to enhance our national security and our, take care of our environment.

KING: Senator Murray, yours was protect America and our military families. Are you saying the administration is not doing that?

MURRAY: Look, I am telling you they are not. And I'm really concerned about this. Part of the cost of war is taking care of those men and women who go overseas in service and come home. I was in Iraq with Barbara Boxer a year ago. And boy, our troops looked us in the eye and said is our country going to be there when we get home? And now we're seeing the statistics.

We're seeing 2,000 people in waiting lines at the Seattle VA alone just to get in and get their first health care checkup. We're seeing unemployment for men and women who are 20 to 24, who have served in Iraq, three times the national average. We're seeing 18 months wait for benefits. What this is about is not putting the money and the resources into the VA, realistically, based on what we're asking our men and women to do. And that's just wrong and we want to change that.

KING: Are you saying the Republicans don't want to change that?

MURRAY: Time and time again our amendments have been voted down to put in place a realistic budget for the VA. In fact, we did put money in for the VA. It was stripped out in the middle of the night in a supplemental committee.

KING: What's the argument against it?

UNIDENTIFIED FEMALE: They say they have enough. They say we've increased it.

LANDRIEU: I'd like to just follow with Patty. Every time Patty makes that argument, which is very powerful and accurate, they say but we're spending more this year than we did last year, with veterans. That's not the answer to the question. The question is are you spending enough based on the increased number of veterans coming back? We're having record numbers of veterans return. With record number of wounded, with mental health issues. So it's not just spending more money. It's spending it wisely and well. Using all the new technologies that we have.

UNIDENTIFIED FEMALE: And it's not right to then try to look at that increase and basically say, well, here's how we're going to solve it, we're going to increase the fees and payments by veterans into the health care system.

KING: Being in the minority, both in the Senate as a gender and as a party, do you feel frustrated?

FEINSTEIN: Oh, yes. That's an easy question. Oh, yes. You know, I mean, you spend your life in this particular pursuit, trying to help people, trying to be creative, and you come back here and you find virtually every program that helps individuals, that cleans up our environment, as Barbara says, that can make us more energy efficient, that can respond to the problems of the day, and make us a better-educated, competitive society, cut. And you see tax cut after tax cut after tax cut in the middle of a war, which means the only thing then you can cut are all of these programs. And that's where this administration is going.

And you know, we're faced with another potential tax cut at a time when you've got a war that's cost \$370 billion between Afghanistan and Iraq, funded out of supplementals. You've got entitlement programs that have some problems in them. And rather than solve problems and protect vital programs, the administration says, well, we'll privatize Social Security. When 50 percent of Americans have no retirement or no pension with the exception of Social Security. That's the mentality.

KING: We'll be right back ...

MIKLULSKI: We're not frustrated because of our gender. That was kind of the way the question, you said you're a minority. We're frustrated not because of our gender, we're frustrated because the agenda.

KING: It's the agenda of the gender.

MIKULSKI: It's the agenda of the gender. That's why the checklist. They want to spend their time giving us votes on radical judges, constitutional amendments that aren't going to take us anywhere, or promote democracy. We want votes. We want debate on real issues, helping our veterans, helping our kids go to school.

KING: I'll get a break in. We'll come right back, I'll introduce the whole panel, reintroduce the whole panel and more of the checklist issues, as we discuss them with the nine Democratic women members of the United States Senate, the other gender of the agenda. I feel like I'm back in Brooklyn. Don't go away.

(BEGIN VIDEO CLIP)

MIKULSKI: Every generation paves the way. That's our obligation. To create more opportunities for families, to work together to build a safer, stronger America.

(END VIDEO CLIP)

KING: I like that.

UNIDENTIFIED FEMALE: That was good.

UNIDENTIFIED FEMALE: Can you continue that?

KING: That could be it now. That could be the campaign theme. Checklist proposed today. Let's meet the nine senators who combined to propose them. They are Senator Barbara Boxer, third-term Democrat of California; Senator Maria Cantwell, first-term Democrat of Washington, who's running for re-election.

Senator **Hillary Rodham Clinton**, first-term Democrat of New York, also running for re-election. Senator Dianne Feinstein, third-term Democrat of California, also running for re-election. Senator Mary Landrieu, second-term Democrat of Louisiana; Senator Blanche Lincoln, second term Democrat of Arkansas; Senator Barbara Mikulski, the dean, the fourth-term Democrat of Maryland. She is dean of the United States Senate Women.

Senator Patty Murray, third-term Democrat of Washington. And Senator Debbie Stabenow, the first-term Democrat of Michigan, who is also running for re-election.

Let's take Senator Cantwell's checklist. Make college affordable for all. How?

CANTWELL: Well, I went to school on a Pell Grant, Larry. And I have to tell you, I'm not sure I'd be in the United States Senate or have been a successful executive at a software company if I hadn't had access to affordable college education, made through help and support of somebody who needed financial assistance.

And right now, with the cuts in the Pell Grant program not keeping pace with the rate of inflation, the cost of education for families has gotten more expensive. So education's gone up 63 percent in costs. Family income's only gone up a few percent.

So what we want is we want to pass legislation to increase Pell Grants, make the college tax deduction permanent, and make an investment, even give G.I.'s more opportunity in making the G.I. Bill permanent for life, so that they can continue their education opportunities as well.

KING: So you're saying it's not possible for anybody who wants to go to college to go to college?

CANTWELL: It's certainly -- I don't think the person that was in my situation today would have as many opportunities. And really this is a time period in our country where education

is the meal ticket to this new economy. We want to empower individuals to have opportunities and empower our economy.

KING: Senator Landrieu, yours was prepare for future disasters. Understanding how you got that.

LANDRIEU: Absolutely, Larry. I mean, we're struggling every day to stand up a city that was put under 15 to 20 feet of water because the federal levee system broke.

Now we had some obligations at the local level, but the federal system, because of underfunding over years and bad design, put a city underwater. We had two hurricanes -- Category 5 out in the Gulf hit us at three. But there's not a place in America with the cutbacks that the Republicans have put forward that's ready.

We've asked to stand up FEMA. It's a shell of what it once was. To put it at a cabinet-level, you know, department. But for the Republican Congress that doesn't really believe that federal government can be effective, they've left it anemic, dysfunctional, and people are suffering, 200,000 homes.

KING: Are you saying it's less ready?

LANDRIEU: We are less ready. The country is not ready based on the 9/11, which is five years ago. Katrina was 10 months ago. We're into the next hurricane season. What have we learned? There's not been one day of discussion on the Senate floor dedicated to getting our first responders, you know, stood up, getting a debate about FEMA. And so we've got America basically sitting ducks for some of these catastrophes that could hit. And we'd better get focused on home, on our cities and our suburban and rural areas to keep them safe.

KING: Why not, Senator Clinton? Why hasn't it been discussed?

CLINTON: Well, Larry, the Bush administration dismantled FEMA from what it was in the 1990s, when it really did work.

KING: Before Katrina?

CLINTON: Yes, yes. And it was a decision made, again, based on ideology as well as money. And we're paying a big price for it. They've also not made a serious commitment to our ports, to our borders, to our mass transit system.

Every expert, from the 9/11 Commission on, has said the same thing. We are not prepared, we are not spending the money in the way that would maximize preparedness. And what Senator Landrieu said today, which was so right, is let's get FEMA back to the professional agency it once was, staffed with people who knew what to do in emergencies.

I still think we need an independent Katrina commission. We don't really know everything that went wrong, and we don't have a list of recommendations about how to fix it.

KING: Was FEMA better when you were first lady?

CLINTON: Oh, there's no doubt, there's no doubt. Everyone agrees with that.

BOXER: Dianne and I could tell you the difference. James Lee Witt became a father figure in California. Dianne, do you remember?

FEINSTEIN: I do.

BOXER: And we were so fortunate to have him. And we can -- when you see your husband, say thank you from us again because James Lee Witt was right there for us and people knew they could get help. Businesses could rebuild. We made history by rebuilding roads so quickly that they came in under budget and ahead of schedule, because of the federal government working with our state.

FEINSTEIN: You know, I think one of the biggest boondoggles was when they took 22 agencies and combined them into a super department.

KING: Sounded good.

FEINSTEIN: And FEMA lost its cabinet status. Now, Mary, you've got a huge disaster, the largest disaster, I think, in our nation's history. And the very entity handling that disaster is removed from the White House and can't communicate directly with the White House.

KING: Senator Stabenow?

STABENOW: I was just going to add that in addition to FEMA, we saw the 9/11 Commission give failing grades for lack of preparedness for first responders, port security, chemical security, radios not working. When I went down to see New Orleans right after the disaster, I sat with somebody from the Michigan Coast Guard and the Michigan Army National Guard that was there helping.

I was very proud of them. I said do you have radios? Yes. Do they talk to each other? No. I said, well, how are you communicating when you're out in the boats? They said hand signals. 2006 in this country, in America we can do better than hand signals. I've offered an amendment three times to fully fund radio communications and the Republican majority has said no.

MURRAY: You know, this is why we're talking about we need change. These are real critical issues. It could be an earthquake in my state. It could be another terrorist attack. We want our country to be prepared, and we're not talking about that in the Senate today.

KING: Is this beyond liberal-conservative?

MURRAY: This is about a management issue of the United States Senate dealing with the issues that are critical to every American family that's not being done today.

KING: Let me get a break. We'll pick up on some of the other checklists and some of your e-mails as well. Don't go away.

(BEGIN VIDEO CLIP)

BOXER: We challenge the Republican Congress to put the environment back on the agenda, to move forward on a comprehensive science-based bill to stabilize and reduce greenhouse gas emissions.

(END VIDEO CLIP)

(BEGIN VIDEO CLIP)

CANTWELL: It is wrong to look for the extra savings and deficit reductions in the pockets of the poorest students in America. It's time to invest in the future of America, the next generation of leaders, so that they can help themselves and our economy excel.

(END VIDEO CLIP)

KING: Before we move back to the checklist, another e-mail question. This from Mike in Houston, who asks, "Why aren't the Democrats challenging the King Kong deficit spending by Bush since he's been president and the Republicans have controlled Congress? Hasn't the national debt doubled in the last few years?" Who wants to grab that?

(CROSSTALK)

STABENOW: Well, as a member of the Budget Committee, I would just say when I came into the Budget Committee in 2001, we had the largest surpluses in the history of the country, and now we have the largest deficits.

We put forward at the very beginning with those surpluses a plan that said take a third of it for tax cuts, a third of it to pay down the debt, and a third of it to invest in our people in

education, innovation and healthcare. If we had done that, we'd be in a very different situation than we are today.

(CROSSTALK)

BOXER: And Larry, you should tell your person that we did talk today about pay as you go spending because we think you want to spend money? Find a place to find that money. Cut that other program or figure out a way to pay for it, and that is part of our leadership's goal, is pay as you go budgeting, go back to that.

LANDRIEU: But Republicans have voted it down.

BOXER: Exactly, right.

LANDRIEU: Let me be clear about this. They've voted that down. And it's simple to the American people. If you want something, pay for it.

KING: And what was their argument?

LANDRIEU: OK, if you want a tax cut, pay for it. If you want a program, pay for it.

MIKULSKI: Their argument was ...

(CROSSTALK)

LANDRIEU: They said they don't want to pay for their tax cuts, they want to borrow money to give tax cuts. We say we're for tax cuts but let's find a way to pay for them.

KING: We still have to get the checklists of Senators Mikulski, Lincoln, and Feinstein. And so we'll get Senator -- let's take Senator Lincoln's now. Your part was called make small business healthcare affordable.

LINCOLN: Right. Well, Larry, 46 million Americans are uninsured right now. And the majority of those are in small businesses. We have an incredible example. Over 40 years the federal government has figured out that if they take all eight million of their federal employees and they pool them, they can give them greater choice at a lower cost.

So we're the recipients of a very good healthcare program. There's no reason why we can't use that model that's been tested for 40 years and offer that same kind of choice at a lower price to small businesses.

KING: Is healthcare a right?

LINCOLN: Healthcare is essential. It's essential for the quality of life for Americans. It's essential to our economy. Workers do better when they're healthy. The fact is, is when you've got small businesses where their employees are uninsured, what happens when they become Medicare age? They're more costly to the government because they haven't been getting healthcare. The key is, is to make sure that we're looking practically at how we can offer better choice at a lower cost to as many Americans as we possibly can. And through small businesses, we reach a tremendous amount. If we pool them together, we give them the same benefit we have and there's no reason they shouldn't get it.

KING: We'll get to two more items on the checklist and then some general questions when we come back.

And before we go to break, let's check in with Anderson Cooper in New York. We're in Washington tonight. And Anderson will host, of course, "A.C. 360" at the top of the hour. Cher tonight?

ANDERSON COOPER, CNN ANCHOR: Cher -- yes, Cher is on the program tonight, Larry, talking about Iraq and trying to raise money for Marines' helmets.

We also have some breaking news at the top of the hour, that al Qaeda number two man Ayman al-Zawahiri has a new videotape posted online. Our teams are literally analyzing the

video right now. We've confirmed that it is new, and that is just about all we know. It is a fast-moving story. As I said, we hope to tell you more about it at the top of the hour.

We'll also have Senator John Kerry on the program tonight talking about his proposal for Iraq and what he says about the critics who say that he is dragging down the Democratic Party, causing greater divisions and leaving an opening for Republicans to accuse the Democrats of wanting to cut and run in Iraq.

All that and more, Larry, at the top of the hour.

KING: Thanks. That's "A.C. 360" at the top of the hour, 10:00 Eastern, 7:00 Pacific. And we'll be right back. Don't go away.

(MUSIC)

(BEGIN VIDEO CLIP)

LINCOLN: We believe that expanding coverage for small business will go a long way towards making sure that millions of Americans would have access to medical care. And we truly believe that providing that kind of security is worth fighting for.

(END VIDEO CLIP)

KING: Before we move back to the checklist, Senator Clinton, Senator Kerry's going to be on the program "A.C. 360" following us. He's now describing Republican policy as lie and die, and a lot are saying that that's causing a rift in your party. Is it?

CLINTON: You know, Larry, we are debating one of the most important issues facing our country. And I'm really proud that the Democratic Party is having this debate. The Republicans are not saying anything.

KING: But is Kerry hurting it?

CLINTON: No. I think everybody has a strong opinion about what should be done, and that's more than can be said for the Republicans, who are blindly following the president.

KING: So you don't criticize Senator Kerry?

CLINTON: Absolutely not.

KING: Senator Boxer, we just learned from Anderson that a new video message from the number two figure in al Qaeda, Ayman al- Zawahiri, was posted on an Islamic Web site Wednesday evening. He claims to have recorded the message, which lasts three minutes and 44 seconds. We don't know what he says. What do you make of this? I wish we knew what he said.

BOXER: Well, it's going to be horrific, whatever he says. This is a group that has no respect for human life and no respect for people, for children, for families. It's -- they behead people. This is a group that's beyond the pale.

But this is the point. I think the reason so many of us feel strongly that we need to change what's going on in Iraq is, we need to free up some resources to get back to getting al Qaeda. You know, the other side keeps saying the war on terror is the war in Iraq. Not true. We all voted, every one of us, differently on the war in Iraq. Every one of us voted after 9/11 to go get Bin Laden. They haven't done it. They turned away. They did this other war. And a lot of us are saying, most of us are saying it's time to change and to begin redeploying and concentrating on getting this horrible man who is heading al Qaeda, second in line to bin Laden.

MURRAY: And it reminds us that we should be focused on the floor of the Senate on port security and rail security and getting our men and women who are protecting us what they need.

KING: Senator Mikulski, your checklist was safeguarding America's pensions. Are they in trouble?

MIKULSKI: They absolutely are. First of all, I think we can be proud of the women here that fought the privatization of Social Security. This was one more of those presidential gimmicks that we were able to stop because, you know, you need a guaranteed benefit, not a guaranteed gamble. And when you're old, you need to be able to rely on Social Security. He wanted to send it to the stock market. We say nobody who's old should have to rely on the bull of political promises or a bear market.

Now they want to come back with this budget bill, and buried in the fine print is, once more, an attempt to privatize Social Security. And we're ready to stand sentry and be able to fight it. Then for our private sector pensions we have legislation that will protect the taxpayer from companies dumping pensions and making them pay for it and also helping good-guy companies know the rules. This has been pending 180 days after it passed the Senate and the house. This is why they squandered time they squander opportunity, and they squander money.

KING: When we come back, we'll ask Senator Feinstein the last one of the checklists, about investing in life-saving science like stem cell. Just so you know, we did take a look at the Republicans a few weeks ago, and we plan on doing much more with both parties as we get more and more into this coming election season. And tomorrow night's special guest will be the Director of the FBI, Robert Mueller. And we'll be right back with more. Don't go away.

(BEGIN VIDEO CLIP)

MURRAY: Caring for our veterans is not a Republican or a Democratic issue. It is an American issue. We call on this Congress to do the most patriotic thing we can do, fulfill our promise to care for America's veterans and military families.

(END VIDEO CLIP)

(BEGIN VIDEO CLIP)

STABENOW: We need a new direction for American workers and American businesses. We challenge the Republican Congress to enact tax policies that stop the outsourcing of American jobs.

(END VIDEO CLIP)

KING: One more checklist to cover. Senator Feinstein, before we get another e-mail in, investing in life-saving science. You're talking about stem cell?

FEINSTEIN: Well, this is stem cell. And this is the heartbreak for me. Eight years ago I introduced one of the first stem cell bills. Here we are eight years later with virtually no federally funded stem cell research. The president authorized 22 stem cell lines only. They are all contaminated with mouse feeder cells. The House has passed a bill which says that rejected embryos from IVF clinics can be used for stem cell research. You know Christopher Reeve. We all know Christopher Reeve.

No one in medicine has ever thought that a spinal cord, once severed, could be healed. Stem cell research offers that opportunity. Every one of us has had families with juvenile diabetics come in and plead for this. People with cancer, people with Alzheimer's, by the thousands. And I don't understand it. Not to allow federal research to go ahead sets this nation so far back and hurts people.

KING: Even if you pass, it you're not going to override a veto, are you?

FEINSTEIN: Well, look.

UNIDENTIFIED FEMALE: We've got to try. FEINSTEIN: The point is you have to try in this. You know, we came here to fight for what we believe in, and one of the things we believe in is to

use this great scientific medical know-how for human well-being and to see, you have Nancy Reagan, who writes and says please do this. We have a bipartisan bill to do it in the Senate. You have a House bill. All we need do is pass it, and the votes are there in the Senate to pass it.

KING: Let me get in one more e-mail. This is from Carol in Vancouver, British Columbia. And she asks, which of the senators present have seen the Al Gore documentary "An Inconvenient Truth," and what's their response to it? Who's seen it? Hillary?

CLINTON: I thought it was terrific. And you know, Al for years has been sounding the alarm on global climate change. And no one can sit through that movie and not be convinced that time is running out for us to take the action we need to control the emissions of carbon dioxide into the air. And that goes right along with what we're trying to do in energy. It goes hand in hand. So I think he's done a great service, not just to our country, but the world.

KING: Would you like him to run again?

UNIDENTIFIED FEMALE: Here we go.

CLINTON: You're good, Larry.

KING: That's not going too far.

CLINTON: All roads lead to one question. I have a question for you. When the FBI director is here tomorrow, ask him if he agrees with cutting the homeland security money to New York City. Just ask him.

KING: That's one of the top things on the list, you're ticked about that.

CLINTON: I am so ticked about that.

MIKULSKI: He's cutting it for Baltimore too.

KING: Were you shocked about it?

CLINTON: I was shocked. But that's what, we wake up every day trying to figure out what this administration is up to.

KING: What answer did they give you on New York?

CLINTON: Oh, they gave us such a run-around. And they cut some places in California. The point is it shows we need a risk-based, threat-based way to distribute money. And they have to keep trying to move the piece around because they won't put enough money in it to begin with.

KING: Do you think it's political? **CLINTON:** I think part of it is political, absolutely. Part of it is their highest priority is tax cuts. And so it's more important to cut the taxes, you know, on billionaires than to make sure that we have sufficient resources to fend off a terrorist attack.

BOXER: Larry, getting back to global warming ...

KING: ... You've got 30 seconds.

BOXER: OK. President Bush tomorrow could say that all the new cars that the federal government buys have to be energy efficient. He doesn't have to see a law passed. He doesn't have to do anything but just do it, like our states are doing it, our cities are doing it. And we call on him to do it. It's easy, doesn't hurt anybody.

UNIDENTIFIED FEMALE: Leadership. Leadership.

UNIDENTIFIED FEMALE: Time for a change.

STABENOW: We're making those flex-fuel vehicles and bio-diesel and hybrids.

KING: In Michigan, right?

STABENOW: In Michigan. And we would welcome that. If the president said even just a half or a third of the fleets, the federal fleets will be hybrids and flex fuels and we'll make them in Michigan.

KING: We're out of time. Thank you all. Thank you Senators Boxer, Cantwell, Clinton, Feinstein, Landrieu, Lincoln, Mikulski, Murray, and Stabenow.

And tomorrow night the FBI director, Robert Mueller, and I will ask him that.

CLINTON: Thank you.

KING: And Friday night, when we're back in California, Regis Philbin. Right now as the clock turns toward 10:00 PM Eastern, I love to say that, and it's time for "AC 360" and Anderson Cooper.

REMARKS BY SENATOR HILLARY RODHAM CLINTON (D-NY) AT THE NEW DEMOCRAT NETWORK ANNUAL MEETING: "WHAT COMES NEXT: A NEW POLITICS FOR AMERICA", 6/23/2006

(Applause.)

SEN. CLINTON: Good morning. Good morning. Thank you, Simon. (Laughs.)

Oh, I just caught part of Simon's introduction, and he brought back a lot of memories because he did come to Little Rock in 1992 and work in the "war room," was a very important part of our rapid response and instrumental to that winning campaign. And I'm very grateful, not only for that work, Simon, but what you've done in the years since to be part of a broad-based movement to really define the Democratic Party's future.

And NDN has contributed to the dialogue in so many ways. Certainly the excellent work done on the Hispanic initiative has been very helpful, and -- (applause) -- yes, we should give a round of applause, because Simon and Sergio and their team were among the most focused in progressive politics, in certainly the Democratic Party, to say: Look, we have to do everything we can to encourage and empower Hispanic voters, to speak to them, to make sure that their views and interests are heard.

I also want to thank Simon and NDN for being part of the American Dream Initiative, which is another effort that brings together several of the organizations, think tanks that are now very focused on giving the Democratic Party and leaders in the public and the private sector ideas about what we can do to move our country in the right direction.

So it's great to be here this morning. It's not the first time I've spoken before an NDN conference, and I'm grateful for the invitation.

There's so much to talk about that it is hard to put into a reasonable speech length many of the issues that are at stake. And let me just make a couple of points, and then perhaps we'll

have time for a few questions. I don't know. Is that electronically possible? Is that -- all right. Because I would love to hear also what's on your mind.

I want to start by saying that although unity is important, it is not the most important value. It is, I think, a tribute to the Democratic party at this moment in time that we are honestly and openly struggling with a lot of the difficult issues facing our country. We just finished a debate about the way forward in Iraq. It turned out not to be a debate between the parties because the other party has made a decision to blindly follow the president, to ask no questions, to raise no concerns. My friend Jane Harman here in the front row, who has been a leader in our party on national security issues, has been raising hard questions while her counterpart is basically just in the amen corner for the Bush administration.

So I think that the Democrats may have somewhat different views about how we succeed in Iraq, but we are together unified in fulfilling our constitutional responsibility to engage in a legitimate debate, to ask the difficult issues and to offer honorable, responsible positions.

So when people say, "Well, gee, the Democrats seem not to have a unified position, I can very straightforwardly say I'm proud of the debate that we're having. We are trying to fulfill our responsibilities, in contrast to our friends on the other side, who have abdicated theirs. (Applause.) I don't think there has ever been a time in American history where the Congress has been so supine, unwilling to hold hearings, to hold any administration official accountable, to do what Congresses historically have done.

Now, I'd be the first to say sometimes Congresses get carried away. (Laughter, applause.) But, you know, there are many other examples throughout our history where Congress has done what it's expected to do.

I mean, think of it. In the middle of World War II, Harry Truman is holding hearings, through something called the Truman Commission in the Congress, on war profiteering. A Democratic president is in the White House, we're in the middle of a global conflict of epic proportions, and Harry Truman and his colleagues are asking hard questions.

Or think back to the Vietnam War and Bill Fulbright. Again, Democratic president, overwhelming Democratic majority, and he's saying we have to hold hearings; we have to ask the people making the decisions and conducting this war to come before us and the American people and explain their position, justify their actions.

Unfortunately, in today's Congress that seems to have been erased from the history books. There is very little willingness to do what should be done in holding this administration accountable in any respect.

Later this afternoon my colleague Byron Dorgan, the chair of the Democratic Policy Committee, will hold a hearing -- not an authorized hearing, not an official hearing, but a hearing of the Democrats through the Democratic Policy Committee to discuss the prewar intelligence, something that the Republican Congress won't even examine, in terms of the uses to which it was put.

So I feel very proud to be a Democrat. You know, I am very grateful that -- (interrupted by applause) -- Democrats are doing what should be done in a democracy.

Secondly, the nine Democratic women senators have come together around what we call a Checklist for Change. I'm sure that this is a gender-related trait -- (laughter) -- but we make checklists about everything. (Laughter.) We make checklists of our checklists. And so the nine of us were talking one day and we said, you know, look at the priorities of our Republican majority, look at the issues they're bringing to the floor of the Senate. Look at how they're trying to inflame their base and appeal to a very small sector of the electorate in order to enhance their chances for electoral victory in November. And we thought maybe we should present our own Checklist for Change, legislation we believe should be brought before the Congress, that we know would have an effect on the lives of the people we represent.

So the other morning, at the Sewall-Belmont House, the home of the women's suffrage movement and the women's party in Washington, we held a press conference where each of us spoke for two minutes about an issue that we were championing and that we had introduced legislation about which we cannot get a hearing, we cannot get a vote because of the priorities of the Republican majority.

Now, on our Checklist for Change is safeguard America's pensions. We have pension legislation that came out of the Senate, it's tied up in the conference committee. It is aimed at, you know, rescuing private-sector pensions and the Pension Benefit Corporation. And we think this should come before the Senate.

We have a series of bills to try to keep good jobs in America, you know, to do more on training, to do more on building up our competitive edge, you know, to slow outsourcing.

My colleague Debbie Stabenow has legislation to create the role of a trade prosecutor because for those of us who believe in open and free markets, it's been disheartening to see how little attention to enforcement this administration has paid. And if we're going to have free and open markets, then people have to pay by -- play by the rules, and we want to begin to try to create that level playing field.

We also want to get back to the idea of making college affordable for all. This administration -- (applause) -- has cut college aid more dramatically than any modern administration, making it more difficult both for middle-income students and lower-income students and their families to afford to send a child to college and keep that child in college and have that child graduate within a reasonable period of time. And this legislation would reverse the cuts in student aid that have been the hallmark of the Bush administration.

We want to do a better job of protecting America and our military families. We don't think that this administration had done the job it should on homeland security. As a senator from New York, I think about this every single day. And it's been hard to justify the approach that the administration has taken toward home-land security. I hope that we're going to begin to come to our senses and have what the 9/11 commission recommended -- threat-based, risk-based funding -- but it's going to require debating it and moving forward with that priority on the Senate floor.

When it comes to our military families, we're trying to do more to give them the support they need. I did a hearing out on Long Island with my colleague Steve Israel last year, and we had military families testifying about how they were eligible for food stamps, how they

were being harassed by creditors. We need to do more to make sure that they're taken care of when their loved one is in harm's way.

We also -- (applause) -- we want to debate how we deal with disasters. We're in the middle of another hurricane season, and we all know what a terrible, neglectful failure the Bush administration was in its response to Katrina. But has anything really changed? Now, I introduced legislation shortly after Katrina for a Katrina commission, modeled on the 9/11 commission, to get to the bottom of what caused the dysfunctional response. I've also introduced legislation to make FEMA independent again, the way it was during the Clinton administration with Cabinet-level stature. (Applause.) I introduced that back in September, and earlier this year, my colleague Trent Lott, who lost his home, came to me and said, "You know, I agree with you.

I believe FEMA should be independent again." So we have the Lott- Clinton bill. You know, let's debate that. Let's get FEMA out of the Department of Homeland Security, where it never should have been placed in the first place, and get back to a responsive FEMA that actually lives up to its name, that it knows something about emergencies and management, and it's staffed with people who have credentials and experience.

Now, I also think that one of the highest priorities we should be dealing with is to make America energy-independent. (Applause.) And I have put forth a detailed approach to doing that, the centerpiece of which is a strategic energy fund that would make not just a financial commitment to accelerating research and moving more technology to commercial applicability sooner, but would ask the oil companies to be part of the solution, not just part of the problem, by contributing to this strategic energy fund.

There are a lot of good ideas out there about how we raise efficiency standards for our automobiles, how we incentivize alternative clean energy, how we make electricity more reliable. There are so many good ideas.

But we are locked in a mind-set that this administration started from the very beginning with the vice president's energy task force, which puts up roadblocks to change. Instead of a superhighway to an energy-independent future, we've been on a lot of detours leading to nowhere. And this issue is important for our economy, for our security and for our environment.

We also have advocated legislation to make small business health care affordable. You know, it's one of the biggest problems I hear about as I travel through New York. How can small businesses afford health care? And we have legislation that is modeled on the Federal Employee Health Benefits Plan, which is a great plan if you're a federal employee, because all 8 (million) to 9 million of us are pooled together, and we get better rates, and we get choice. So the Democrats think we should provide the same kind of opportunity to employers and employees in small businesses.

We also think it's past time to invest in lifesaving science by bringing a stem cell bill to the floor of the Senate for debate and voting. (Applause.) The Congress -- the House passed a stem cell bill on a bipartisan basis. Our leadership -- the Republican leadership won't bring it to a vote, because it will pass.

And we are allowing this lifesaving science to move offshore. Other countries are making big investments. Some states are trying to make their own investments, but there is no substitute both for federal investments but, equally important, for federal rules and regulations.

You know it is not illegal in America, it is not a crime to clone a human being. We cannot get an honest debate about stem cells, which would prohibit the most offensive forms of research, because the White House and the Congress don't want to move forward on what a huge bipartisan majority of Americans believe we should be doing to move into this new scientific arena.

And finally, on our Democratic women's Checklist for Change is to protect our air, land and water from the assault of this administration day in and day out. (Applause.) Now, this is about, of course, global climate change. And if you haven't seen Vice President Gore's movie, please see it. It will give you even more ammunition when you're discussing this with your friends and colleagues. So this is about moving toward some system that the United States will be part of to deal with carbon dioxide. But it is also about acid rain, it is about mercury, it is about Superfund toxic waste sites -- it is about the full range of how we protect our air, our land and our water, and equally importantly, it is about looking at the health consequences of our failure to do so.

Many of us believe that if you look at the three causes of disease -- genetics, behavior and environment -- we're making progress in understanding genetics; we're getting around to putting out some very strong advice about behavior, from everything from taking soft drinks out of schools to having employers encourage employees to exercise more, but we're not yet focusing on the environmental connections and causation. And I believe that many chronic diseases have a strong environmental focus, a strong environmental cause.

So there's a lot we want to do. So when people say to me, what do the Democrats stand for, this is what we stand for. We have legislation. We could vote on this legislation, we could make progress starting tomorrow in dealing with these issues.

And there are, of course, many others, like fiscal responsibility and getting back to the policies of the 1990s where we actually balanced the budget and came up with a surplus and created an upsurge in economic prosperity, lifting more people out of poverty.

If you want to lift people out of poverty, look at what we did in the 1990s, where the Earned Income Tax Credit, where other kinds of assistance to people who wanted to work hard enabled them to move themselves and their children into the middle class.

So I think we've got a great agenda. Now what we need is a winning electoral strategy. We need to run campaigns that make it clear to the American people that we know what we would do if we have the honor to take back one or both houses of Congress in the '06 elections. I cannot stress strongly enough how important it is we stay committed to winning elections this November.

The other side knows what is at stake, and I think their game plan is obvious to any who choose to look. They're going to replay what they did in '02 and '04. You can hear it, you can see it. It was certainly evident on the floor when we were debating the way forward in Iraq, and you know, the Republicans were quick to point fingers and call names and attach

labels and slogans. You know, they may not have a war policy, but they do have an electoral policy, and it is once again to engender fear and insecurity and to try to prevent people from thinking about what works and what the real threats are that we face and the most effective strategies for dealing with them.

But I'm optimistic because I think reality has finally caught up with the Republican majority and the White House, because you can only go so long denying the evidence in front of your eyes. You know, for years now I've said that the Bush administration wanted to turn Washington into an evidence-free zone, and if you have read a review or had the occasion to read Ron Suskind's new book, "The One Percent Doctrine," you will see that there is a lot of evidence to back up their dismissal and denial of evidence. They speak derisively of those of us who live in the reality-based world because they believe that they can reshape reality even if it has very little to do with the threats we face, the risks we confront, the challenges and opportunities we should be seizing.

So it's our job to get out there and make the case for a Democratic majority, make the case for the Democratic priorities that will affect the lives of the vast majority of Americans. If we make that case with the help of NDN and all of the organizations who are committed to seeing us back on the right track, I think we will be successful in November.

Thank you all very much. (Applause.)

Okay. We have questions! And would you, I guess, identify yourself? Is that what we should do, Simon? Okay. Yes, sir?

Q Mrs. Clinton, thank you very much. My name is Bart Akachella (ph). I think a lot of people here are very enthusiastic about new media tools, specifically blogging and the so-called netroots. Do you share that enthusiasm? And do you have any ideas about how we can harness the power of this new movement to the benefit of progressives?

SEN. CLINTON: I do share that enthusiasm. I think it's very exciting what is going on in the so-called blogosphere. Again, you know, Simon and NDN were among the very first to understand the potential and power of the new media.

You know, it is hard to predict how it's going to develop and unfold. I hope that we will be as effective on the progressive side of the ledger in promoting our ideas, our solutions, as the other side is in tearing everything we do down. You know, I saw a commentator on TV the other day who said that the Republicans love the bloggers because progressive bloggers beat up on each other and Democrats, and conservative bloggers beat up on Democrats and progressives. So it's sort of a win-win from their perspective.

I think that's part of the -- you know, just the ferment, the exchange of ideas, the excitement of how people feel about what's going on, the passion that so many have about the misplaced priorities and policies of this administration and the Republican majority. So I think it's terrific.

I am also a very strong supporter of net neutrality because I do believe net neutrality is -- (interrupted by applause) -- the best policy to ensure that the Internet remains a public square of idea exchange and idea promotion. We're going to have a big fight about that in the Senate, and I really hope that we'll be able to maintain the idea of net neutrality. And I

know that many in the netroots and blogger community are work-ing very hard on that, and I hope that they can help us influence some of the votes we need to try to make that happen.

Yes?

Q Good morning.

SEN. CLINTON: Good morning.

Q George Marsuli (sp) with People for the American Way. You know, in spite of the progressives' his-toric association with the Hispanic community, many argue that sort of over the last 10 years, conservatives have done a much better job in engaging Hispanics towards the future.

What kind of recommendations do you make to progressive leaders and leaders of progressive organizations in terms of engaging a community they may have variable degrees of understanding about?

SEN. CLINTON: Well, I think that's an important question because it is, unfortunately, the case that the other side has been much more effective in outreach and organization. You know, they still don't capture the majority of votes in most cases, but they do have organized, well-funded outreach efforts.

We have to take it very seriously. We can't -- I don't think we can take any voter for granted, I don't care who the voter is. We have to fight to earn every single vote. And that's certainly what I've tried to do in my time in the Senate.

And I hope that we'll do three things. First, any group that is serious about expanding our base and having a new majority for a progressive Democratic agenda will get to know the Hispanic community. You know, don't operate on any misunderstandings or stereotypes. It's a very diverse community with very different points of view, and it's not some monolith that people can say, oh, well this is what we're going to do. And so get to know the diversity.

You know, I hope people will seek out leaders in the various aspects of the Hispanic community to help guide how we go about doing this. There are experts in the field, like Sergio and others, who have been taking the pulse of the community for a very long time. You know, let's listen to them more. Let's pay attention. You know, I don't think we did a very good job in the last campaign acting on the research and evidence we had about how to reach Hispanic voters from Florida to California. So there's some wisdom out there; we should be open to it.

And finally, we need to recognize that an agenda for Hispanic voters is an agenda for America. There's not some special, limited specific agenda with two or three things on it. You know, every person I know that -- you know, my friends, my constituents, you know, they're worried about all the things that are on our check-list, plus they're worried about immigration; plus they're worried about, you know, some of the policies that we are, unfortunately, pursuing with our neighbors to the south. I mean, they're interested in everything anybody else is interested in, plus some specific issues. So, you know, don't just talk about one or two issues, it's an American agenda. And so I think if we do that, we can begin to put together the approach that could lead to a better-organized effort.

So, thank you all very much. (Applause.)

U.S. SENATOR HILLARY CLINTON (D-NY) DELIVERS REMARKS TO THE NEW DEMOCRAT NETWORK CONFERENCE, 6/23/2006

CLINTON: Good morning. Good morning.

(APPLAUSE)

Thank you, Simon.

(APPLAUSE)

I just caught part of Simon's introduction, and he brought back a lot of memories. Because he did come to Little Rock in 1992 and work in the war room; was a very important part of our rapid response and instrumental to that winning campaign.

And I'm very grateful not only for that work, Simon, but for what you've done in the years since to be part of a broad-based movement to really define the Democratic Party's future and in the end has contributed to the dialogue in so many ways.

Certainly, the excellent work done on the Hispanic initiative has been very helpful and...

(APPLAUSE)

... yes, we should give a round of applause, because...

(APPLAUSE)

... Simon and Sergio and their team were among the most focused in progressive politics, in certainly the Democratic Party, to say, "Look, we have to do everything we can to encourage and empower Hispanic voters, to speak to them, to make sure that their views and interests are heard."

I also want to thank Simon and NDN for being part of the American Dream Initiative, which is another effort that brings together several of the organizations, think-tanks that are now very focused on giving the Democratic Party and leaders in the public and the private sector ideas about what we can do to move our country in the right direction.

So it's great to be here this morning. It's not the first time I've spoken before an NDN conference. And I'm grateful for the invitation.

There's so much to talk about that it is hard to put into a reasonable speech length many of the issues that are at stake.

CLINTON: And let me just make a couple of points, and then perhaps we'll have time for a few questions.

I don't know, is that electronically possible? Is that? All right.

Because I would love to hear also what's on your mind.

I want to start by saying that although unity is important, it is not the most important value. It is, I think, a tribute to the Democratic Party at this moment in time that we are honestly and openly struggling with a lot of the difficult issues facing our country.

We just finished a debate about the way forward in Iraq. It turned out not to be a debate between the parties because the other party has made a decision to blindly follow the president, to ask no questions, to raise no concerns.

My friend Jane Harman, here in the front row, who has been a leader in our party on national security issues, has been raising hard questions while her counterpart is basically just in the amen corner for the Bush administration.

So I think that the Democrats may have somewhat different views about how we succeed in Iraq, but we are together unified in fulfilling our constitutional responsibility to engage in a legitimate debate, to ask the difficult issues and to offer honorable, responsible positions.

So when people say, "Well, gee, the Democrats seem not to have a unified position," I can very straightforwardly say I'm proud of the debate that we're having.

CLINTON: We are trying to fulfill our responsibilities, in contrast to our friends on the other side who have abdicated theirs.

I don't think there has ever been a time in American history...

(APPLAUSE)

... where the Congress has been so supine, unwilling to hold hearings, to hold any administration official accountable, to do what Congresses historically have done.

Now, I'd be the first to say some Congresses get carried away.

(LAUGHTER)

But, you know...

(APPLAUSE)

... there are many other examples throughout our history where Congress has done what it's expected to do.

I mean, think of it: In the middle of World War II, Harry Truman is holding hearings through something called the Truman Commission in the Congress on war profiteering. A Democratic president is in the White House, we're in the middle of a global conflict of epic proportions, and Harry Truman and his colleagues are asking hard questions.

Or think back to the Vietnam War and Bill Fulbright. Again, Democratic president, overwhelming Democratic majority, and he's saying, "We have to hold hearings. We have to ask the people making the decisions and conducting this war to come before us and the American people and explain their positions, justify their actions."

Unfortunately, in today's Congress, that seems to have been erased from the history books. There is very little willingness to do what should be done in holding this administration accountable in any respect.

Later this afternoon my colleague Byron Dorgan, the chair of the Democratic Policy Committee, will hold a hearing -- not an authorized hearing, not an official hearing, but a hearing of the Democrats, through the Democratic Policy Committee, to discuss the prewar intelligence, something that the Republican Congress won't even examine in terms of the uses to which it was put.

CLINTON: So I feel very proud to be a Democrat. I am very grateful that...

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... Democrats are doing what should be done in a democracy.

Secondly, the nine Democratic women senators have come together around what we call a Checklist for Change. I'm sure that this is a gender-related trait...

(LAUGHTER)

... but we make checklists about everything.

(LAUGHTER)

We make checklists of our checklists.

And so the nine of us were talking one day and we said, "You know, look at the priorities of our Republican majority. Look at the issues they're bringing to the floor of the Senate. Look at how they're trying to inflame their base and appeal to a very small sector of the electorate in order to enhance their chances for electoral victory in November."

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And if we're going to have free and open markets, then people have to play by the rules. And we want to begin to try to create that level playing field.

We also want to get back to the idea of making college affordable for all. This administration...

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... has cut college aid more dramatically than any modern administration, making it more difficult both for middle-income students and lower-income students and their families to afford to send a child to college and keep that child in college and have that child graduate within a reasonable period of time.

And this legislation would reverse the cuts in student aid that have been the hallmark of the Bush administration.

We want to do a better job of protecting America and our military families. We don't think that this administration has done the job it should on homeland security.

As a senator from New York, I think about this every single day. And it's been hard to justify the approach that the administration has taken toward homeland security.

I hope that we're going to begin to come to our senses and have what the 9/11 Commission recommended: threat-based, risk-based funding. But it's going to require debating it and moving forward with that priority on the Senate floor.

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We also...

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We want to debate how we deal with disasters.

We're in the middle of another hurricane season. And we all know what a terrible, neglectful failure the Bush administration was in its response to Katrina.

CLINTON: But has anything really changed? You know, I introduced legislation shortly after Katrina for a Katrina commission, modeled on the 9/11 Commission, to get to the bottom of what caused the dysfunctional response. I've also introduced legislation to make FEMA independent again, the way it was during the Clinton administration, with Cabinet-level stature.

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I introduced that back in September, and earlier this year, my colleague, Trent Lott, who lost his home, came to me and said, "You know, I agree with you. I believe FEMA should be independent again." So we have the Lott-Clinton bill. Let's debate that. Let's get FEMA out of the Department of Homeland Security, where it never should have been placed in the first place, and get back to a responsive FEMA that actually lives up to its name that it knows something about emergencies and management, and it's staffed with people who have credentials and experience.

Now, I also think that one of the highest priorities we should be dealing with is to make America energy independent.

(APPLAUSE)

And I have put forth a detailed approach to doing that, the centerpiece of which is a strategic energy fund that would make not just a financial commitment to accelerating research and moving more technology to commercial applicability sooner, but would ask the oil companies to be part of the solution, not just part of the problem, by contributing to this strategic energy fund.

There are a lot of good ideas out there about how we raise efficiency standards for our automobiles, how we incentivize alternative clean energy, how we make electricity more reliable.

CLINTON: There's so many good ideas. But we are locked in a mindset that this administration started from the very beginning with the vice president's energy task force which puts up roadblocks to change, instead of a superhighway to an energy independent future, we've been on a lot of detours leading to nowhere.

And this issue is important for our economy, for our security and for our environment.

We also have advocated legislation to make small-business health care affordable. It's one of the biggest problems I hear about as I travel through New York. How can small businesses afford health care?

And we have legislation that is modeled on the Federal Employee Health Benefits plan, which is a great plan, if you're a federal employee, because 8 million to 9 million of us are pooled together and we get better rates and we get choice.

So the Democrats think we should provide the same kind of opportunity to employers and employees in small businesses.

We also think it's past time to invest in lifesaving science by bringing a stem cell bill to the floor of the Senate for debate and voting.

(APPLAUSE)

The House passed a stem cell bill on a bipartisan basis. Our leadership -- the Republican leadership -- won't bring it to a vote, because it will pass.

And we are allowing this lifesaving science to move offshore. Other countries are making big investments. Some states are trying to make their own investments. But there is no substitute, both for federal investments, but, equally important, for federal rules and regulations.

You know, it is not illegal in America -- it is not a crime to clone a human being. We cannot get an honest debate about stem cells which would prohibit the most offensive forms of research because the White House and the Congress don't want to move forward on what a huge bipartisan majority of Americans believe we should be doing to move into this new scientific arena.

CLINTON: And finally, on our Democratic women's Checklist for Change to protect our air, land and water from the assault of this administration day in and day out.

(APPLAUSE)

Now, this is about, of course, global climate change. And if you haven't seen Vice President Gore's movie, please see it. It'll give you even more ammunition when you're discussing this with your friends and colleagues.

So this is about moving toward some system that the United States will be part of to deal with carbon dioxide, but it is also about acid rain, it is about mercury, it is about Superfund toxic waste sites, it is about the full range of how we protect our air, our land and our water. And equally importantly, it is about looking at the health consequences of our failure to do so.

Many of us believe that if you look at the three causes of disease -- genetics, behavior and environment -- we're making progress in understanding genetics, we're getting around to putting out some very strong advice about behavior, from everything from taking soft drinks out of schools to having employers encourage employees to exercise more. But we're not yet focusing on the environmental connections and causation. And I believe that many chronic diseases have a strong environmental focus, a strong environmental cause.

So there's a lot we want to do. So when people say to me, "What do the Democrats stand for?" this is what we stand for. We have legislation. We could vote on this legislation. We could make progress starting tomorrow in dealing with these issues.

And there are, of course, many others, like fiscal responsibility and getting back to the policies of the 1990s where we actually balanced the budget and came up with a surplus and created an upsurge in economic prosperity, lifting more people out of poverty.

If you want to lift people out of poverty, look at what we did in the 1990s, where the earned income tax credit, where other kinds of assistance to people who wanted to work hard enabled them to move themselves and their children into the middle class.

CLINTON: So I think we've got a great agenda. Now, what we need is a winning electoral strategy. We need to run campaigns that make it clear to the American people that we know what we would do if we have the honor to take back one or both houses of Congress in the '06 elections.

I cannot stress strongly enough how important it is we stay committed to winning elections this November.

The other side knows what is at stake. And I think their game plan is obvious to any who choose to look -- they're going to replay what they did in '02 and '04. You can hear it. You can see it.

It was certainly evident on the floor when we were debating the way forward in Iraq, and, you know, the Republicans were quick to point fingers and call names and attach labels and slogans.

You know, they may not have a war policy, but they do have an electoral policy. And it is once again to engender fear and insecurity and to try to prevent people from thinking about what works and what the real threats are that we face and the most effective strategies for dealing with them.

But I'm optimistic because I think reality has finally caught up with the Republican majority in the White House, because you can only go so long denying the evidence in front of your eyes.

CLINTON: You know, for years now I've said that the Bush administration wanted to turn Washington into an evidence-free zone. And if you have read a review or had the occasion to read Ron Suskind's new book, "The One Percent Doctrine," you will see that there is a lot of evidence to back up their dismissal and denial of evidence.

They speak derisively of those who live in the reality-based world, because they believe that they can reshape reality, even if it has very little to do with the threats we face, the risks we confront, the challenges and opportunities we should be seizing.

So it's our job to get out there and make the case for a Democratic majority, make the case for the Democratic priorities that will affect the lives of the vast majority of Americans.

If we make that case, with the help of NDN and all of the organizations who are committed to seeing us back on the right track, I think we will be successful in November.

Thank you all very much.

(APPLAUSE)

QUESTION: I think a lot of people here are very enthusiastic about new media tools, specifically blogging and the so-called net (inaudible). Do you share that enthusiasm, and do you have any ideas about how we can harness the power of this new movement to the benefit of progressives?

CLINTON: I do share that enthusiasm. I think it's very exciting what is going on in the so-called blogosphere.

Again, you know, Simon and NDN were among the very first to understand the potential and power of the new media.

CLINTON: You know, it is hard to predict how it's going to develop and unfold. I hope that we will be as effective on the progressive side of the ledger in promoting our ideas, our solutions as the other side in tearing everything we do down.

You know, I saw a commentator on TV the other day who said that the Republicans love the bloggers because progressive bloggers beat up on each other and Democrats and conservative bloggers beat up on Democrats and progressives. So it's sort of a win-win from their perspective.

I think that's part of just the ferment, the exchange of ideas, the excitement of how people feel about what's going on, the passion that so many have about the misplaced priorities and policies of this administration and the Republican majority.

So I think it's terrific.

I am also a very strong supporter of net neutrality, because I do believe net neutrality is...

(APPLAUSE)

... the best policy to ensure that the Internet remains a public square of idea exchange and idea promotion.

We're going to have a big fight about that in the Senate, and I really hope that we'll be able to maintain the idea of net neutrality. And I know that many in the net routes and blogger community are working very hard on that, and I hope that they can help us influence some of the votes we need to try to make that happen.

QUESTION: In spite of the progressives' historic association with the Hispanic community, many argue that sort of in the last 10 years, conservatives have done a much better job in engaging Hispanics toward the future.

What kind of recommendations do you make to progressive leaders and leaders of progressive organizations in terms of engaging a community that they may have variable degrees of understanding about?

CLINTON: I think that's an important question, because it is unfortunately the case that the other side has been much more effective in outreach and organization. They still don't capture the majority of votes in most cases, but they do have organized, well- funded outreach efforts.

We have to take it very seriously.

CLINTON: I don't think we can take any voter for granted. I don't care who the voter is. We have to fight to earn every single vote. And that's certainly what I try to do in my time in the Senate.

And I hope that we'll do three things. First, any group that is serious about expanding our base and having a new majority for a progressive Democratic agenda will get to know the Hispanic community. Don't operate on any misunderstandings or stereotypes.

(APPLAUSE)

It's a very diverse community with very different points of view, and it's not some monolith that people can say, oh, well, this is what we're going to do.

And so, get to know the diversity. I hope people will seek out leaders in the various aspects of the Hispanic community to help guide how we go about doing this.

There are experts in the field, like Sergio and others, who have been taking the pulse of the community for a very long time. Let's listen to them more. Let's pay attention.

I don't think we did a very good job in the last campaign acting on the research and evidence we had about how to reach Hispanic voters from Florida to California.

So there's some wisdom out there. We should be open to it.

And finally, we need to recognize that an agenda for Hispanic voters is an agenda for America. There's not some special limited specific agenda with two or three things on it.

(APPLAUSE)

Every person I know -- my friends, my constituents, they're worried about all the things that are on our checklist, plus they're worried about immigration, plus they're worried about some of the policies that we are unfortunately pursuing with our neighbors to the south.

They're interested in everything anybody else is interested in, plus some specific issues.

So don't just talk about one or two issues. It's an American agenda.

And so I think if we do that, we can begin to put together the approach that could lead to a better organized effort.

So thank you all very much.

END

DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS CONFERENCE ON THE MINIMUM WAGE, 6/27/2006

CLINTON: Harry, thank you very much.

You know, several months ago it became clear that this Congress, which will not put the needs of the American people first, was more than willing to put their own needs first. And we've seen in the House action to increase the incomes of members of Congress.

I was very impressed when a Web site, the Sliced Bread Web site, came up with an idea that wasn't mine, it was somebody who thought about this and submitted it and said, "You know, why on Earth should members of Congress get a raise when they won't raise the minimum wage?"

So I've introduced legislation several months ago to link congressional pay raises with a minimum wage increase.

Once again last week, we saw this won't-do Congress putting its own interests ahead of hardworking Americans. And it's very sad that we have to be here talking about this.

CLINTON: We should have raised the minimum wage some time in the last nine years. We haven't. But we have raised the pay of members of Congress significantly over that same period.

So my legislation, which Senator Kennedy has co-sponsored, would make it very clear we're not going to raise congressional pay until we raise the minimum wage of the people who get up every day and work hard for a living and can't get themselves and their children out of poverty.

DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS TELECONFERENCE ON THE RELEASE OF THE STUDENT DEBT REPORT, 6/28/2006

CLINTON: Oh, I'm here, Ted.

KENNEDY: OK, good.

CLINTON: I want to thank you, first and foremost, for your leadership on this for so many years. And the reason this call is so timely and the report and the Student Debt Relief Act is that, last December, the Republican leadership decided to impose one of the largest hikes in student loan interest rates in history.

And when, this weekend, on Saturday, July 1, the interest rate paid by college students and their parents will rise by two percent or more, we're sending out a last-minute alarm here so that student borrowers and their parents can look into consolidating their loans.

If they do it this week, they may be able to lock in a lower interest rate than they would pay starting Saturday.

CLINTON: And we will do everything we can with our legislation to try to remedy the problems that my col-leagues have so ably described, which is really at the root of undermining the American dream for so many worthy students and imposing unbelievable costs on them and their families.

So I just hope that families will try to lock in a lower rate now and then support the Democratic efforts in the Senate to try to pass legislation that will get us back on the right track, to make sure that students have access to information. I have been pushing a student borrower bill of rights so that people aren't subject to bait and switch, and that they know what the interest rates are, they know what's expected of them.

But, more importantly, it's that we can get back on a track where the majority of students who want to go to college are not going to have to have overwhelming, crushing debt burdens or, as is happening too often today, decide they just can't afford to be part of the best future for themselves and our country.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE FUTURE OF MILITARY COMMISSIONS, 7/13/2006

CLINTON: Thank you, Mr. Chairman. And thanks especially to this panel. I commend you all for your years of service and for your deep concern about the issues that we're discussing today. And I certainly look forward to your continuing guidance.

I hope that you will be -- those of you still in uniform -- actively involved and permitted in the consultation process going forward so that we try to work this out on a bipartisan, bicameral basis, certainly for the good of our men and women in uniform and, frankly, for the good of our country.

I think that there's been so much confusion about this issue -- the way it's been discussed, the way it's been, to some extent, sensationalized. And I appreciate the very sober and prudent way you've addressed these matters.

Some of you have talked about looking to the Nuremberg trials and even the other international tribunals that have been established over the last 50 years as examples as we move forward and try to determine what best course to take.

CLINTON: Do any of you have specific lessons that you think we should draw, either to apply or not apply from those international experiences?

HUTSON: I would say accountability, coming out of Nuremberg.

CLINTON: Accountability up and down the chain of command?

HUTSON: Accountability up and down the chain of command, that people are responsible for the actions of their subordinates and so that, when you're trying bin Laden, he's responding as Yamashita.

I mean, I think that's one of the lessons that came out of World War II -- and that following illegal orders isn't a defense.

CLINTON: Can there be legal orders when you have a terrorist organization?

Is there such a thing as a baseline of legality?

I mean, I think those are the kinds of questions people have to ask. I mean, this is different than what we've attempted to do before. And I think looking to the international tribunals could be enlightening.

Anyone else have anything to add about that?

Yes, General?

SANDKUHLER: Well, Senator, you could look at -- we've looked at some of the ideas of discovery that exist under the Rwandan, Yugoslav international criminal courts, that have procedures that recognize the need for classified information or security documents of interest to the other nations, being controlled in a way that is not perhaps revealed to an accused.

So there are items out there from those fora that we think we can look at, and we have looked at in the past, that provide us with criteria that are internationally acceptable.

CLINTON: Well, we've had two examples, one here with the Moussaoui trial, one in Germany, where the refusal of our government to share information arguably affected the outcomes of those trials.

So I think this question about confidential evidence and hearsay evidence is going to be especially thorny.

You know, one of the concerns that I have is that, as you look at the evidence that could be presented, a lot of it will be hearsay or confidential, classified in some form or another.

CLINTON: May I ask if you've given thought, as I'm sure you have, that you could share with us about the understanding of the specific issue of confidentiality as a precedent in war crimes tribunals. Would the rules in the Classified Information Procedures Act be sufficient?

And on the issue of hearsay and the challenges of obtaining evidence from continents away, from battlefields that are 8,000 feet in the air, how do you address that? Does anybody have any initial impression that you'd be willing to share with us on confidentiality and hearsay?

HUTSON: Senator, Military Rule of Evidence 505 deals quite nicely with classified sources and means kinds of things where there's a variety of ways -- in camera and showing it to the judge in camera, unclassified summaries, and that sort of thing -- that can be used as, again, a starting point or baseline for dealing with that aspect of your question.

With regard to hearsay, of course you're absolutely right. There's going to be lots of hearsay problems if you were to just use the military rules with regard to hearsay, which are basically the same as the federal rules.

I would suggest that you need to have some sort of apparent authenticity and maybe corroborating evidence aspect to it, so that what you can't do, I think, is say to the accused, "We know you're guilty. We can't tell you why. But there's a guy, we can't tell you who, who told us something; we can't tell you what. But you're guilty."

CLINTON: But I also want to reinforce something that one of you just said, and that is: We're not talking about a choice between trying somebody or letting somebody go. I think that's been very confusing to people in this process. And there's been a lot of hyped rhetoric about, you know, you're going to tear down this system; look what the Supreme Court did: we're going to let all these terrorists loose.

You do not have to let people go. I mean, these are enemy combatants, prisoners of war, whatever we want to call them. I mean, we had Nazis in prison camps in our country for years. And then the hostilities ended and they were let go.

So I think it's useful not only to be talking about the details as to what we need to consider going forward, but maybe to clear the air a little bit -- because I listened to some of the hearings that some of you participated in yesterday and, frankly, it was embarrassing.

GRAHAM: Would the senator yield?

CLINTON: I certainly would, Mr. Chairman.

GRAHAM: Isn't it correct that you could be acquitted in a military commission and still be held as an enemy combatant even if you're acquitted?

(UNKNOWN): That's correct, sir.

GRAHAM: Go to your point: You're absolutely right.

CLINTON: Well, thank you for that clarification and addition.

I just want to be sure, Mr. Chairman, that as we got forward with this, that the Senate does not engage in the same kind of heated, inaccurate rhetoric that will undermine this very important, serious endeavor.

And, therefore, we need to clarify many of the points. And that is one of the critical ones that I wanted to get on the record, because this is not about whether you try terrorists or let them go.

And I think we have to be very clear about that going forward.

WARNER: I thank the senator from New York for that very insightful observation.

Senator Sessions?

U.S. SENATOR JAMES M. INHOFE (R-OK) HOLDS A HEARING ON EMERGENCY PREPAREDNESS AND RESPONSE SYSTEM AS RELATED TO THE STAFFORD ACT, 7/27/2006

CLINTON: Thank you so much, Mr. Chairman, and thank you for your leadership on this. It's a pleasure working with you on such an important issue.

I will ask unanimous consent that my entire opening statement be made a part of the record.

I want to just highlight a few points. We're quickly moving toward the fifth anniversary of the attacks of 9/11 and I have personally met with many individuals who have been severely impacted by both their physical and mental health conditions due to what they were subjected to during the attack and in the days, weeks and months after. People who were first responders, who bravely rushed in. People who were construction workers. People who were sanitation workers. People who worked in the streets to get the telecommunications back up so the stock exchange could open. People who were transportation workers. So many people who were there for months on end as well as other workers and residents of downtown New York.

And I have called for and welcome both the creation of the current World Trade Center Worker Health Monitoring Program and the efforts of Dr. John Howard, director of NIAH (ph) in his capacity as the federal coordinator for 9/11 health.

The federal government, however, has no plan to deal with this long-term health crisis. In fact, the "Daily News" in New York published a series of stories on these individuals and about what they have suffered from, the kind of impact it's having upon people who can no longer perform their duties as firefighters or police officers because of the diseases that have materialized, the decreased breathing capacity and other ailments that have emerged since 9/11.

Mr. Chairman, I ask unanimous consent that these stories from the "Daily News" be made a part of the record.

You know, Mr. Chairman, I don't think we know whether Hurricane Katrina will have long-term health impacts. Some researchers are looking into that. But I think we should pay special attention to long-term medical and mental health needs. They should be tracked, monitored and treated after significant natural or manmade disasters. I hope that we can look into that issue on this panel.

I've also been working with my colleague, Senator Voinovich, because his state sent some first responders to Ground Zero. They came home and began suffering from health effects. So this is a problem directly related to the experience that so many people had trying to cope with this overwhelming disaster.

I also am concerned about Hurricane Katrina, the subsequent failed response that we've unfortunately been living with now for nearly a year, but we just experienced significant floods in upstate New York and, as a result, you know, tens of thousands of people lost their homes, lost their businesses. In Queens, we're experiencing a massive blackout. Con Ed can't figure out what caused it. They've had a horrible time trying to figure out how to fix it. We have seen so many businesses destroyed, particularly food related businesses.

And as I travel around, I just feel that we're not prepared to respond to all of these problems and, you know, I think that because each of the problems I mentioned have national implications, whether it's our electricity grid or the impact on our oil supply out of the Gulf or whatever it might be, we need to take a hard look at what kind of federal assistance should be available. And the Stafford Act is our key to doing that.

And, finally, I hope we can address the lessons learned from Katrina. I have a stack of reports here, almost too heavy for me to life. They've been conducted by the House, the Senate, the GAO, the White House, independent experts. After Hurricane Katrina I advocated for a single, independent commission, modeled after the 9/11 Commission, because I think we have to learn these lessons. You know, there is a tremendous amount of wisdom in what went wrong as well as what went right.

I met with the Red Cross the other day and they were very candid in telling me what they thought went right and what went wrong. But we have this disparate reports. I hope that we can figure out how to really zero in on lessons learned. I mean, one of the reasons that the chairman and I have supported trying to go back to an independent FEMA is that when everybody is in charge, nobody is in charge. When disaster preparedness and response is lodged in a gigantic bureaucracy, it is easy to get lost, particularly when that bureaucracy was formed after 9/11 to deal with the incredibly dangerous problem of terrorist attacks.

So, if the Stafford Act authorities need to be changed, clarified, expanded or even contracted, I hope we'll have the courage to make those changes. And I think everyone knows the chairman is a pretty determined leader, and I really trust that we'll get to the bottom of this and really make some of the changes that we need.

Thank you, Mr. Chairman.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

I think you can tell from both our statements and our questions that we have a lot of concern. I would list a number of those, for me: long-term health monitoring and treatment; the types of assistance that are available, low interest loans versus grants, which in some situations I think may be called for; large-scale long-term housing after disasters; registering numbers of individuals for assistance for reconciling families, for doing that; as well as to try to get a better system to avoid the waste that we've now been hearing about, the billions of dollars wasted, trailers rotting in a field near the Hope Airport in South Arkansas; debris removal, which has been referenced; and no bid contracts.

I mean, those are all areas of deep concern to me. And I would ask, Mr. Chairman, for the opportunity to submit additional questions in writing to try to elicit further information from these agencies.

INHOFE: Without objection. And I might also add that several other members who are not here will be submitting questions for the record.

CLINTON: Thank you.

Let me ask you, Mr. Shea, what FEMA's attitude is toward creating some kind of long-term recovery entity, either within FEMA, but given the constraints you face, I understand why that may be difficult, or at least coordinated by FEMA so that localities and states that are overwhelmed, as we have seen with 9/11 and then with Katrina, could immediately setup some kind of medical, mental health tracking and treatment protocol.

Senator Voinovich and I have introduced the Disaster Area Health and Environmental Monitoring Act, which would amend the Stafford Act to allow the president to setup monitoring programs in order to protect and track the health of first responders and residents, with a priority on tracking first responders with high degrees of exposure to known toxic substances.

Do you believe that this is an additional both responsibility and opportunity for our disaster response mechanism?

SHEA: Senator, I guess my comment would kind of read as follows on that. I know that under your leadership, that we began looking very hard at some issues surrounding the implications of 9/11, and I think, frankly, part of the experience, we've been involved in that now for well over a year and it's been a beneficial experience, no question about it.

One of the things that is a little unnerving is that there are no conclusions to it, and so we're still struggling with that, but we do believe that the health and safety aspects of the Stafford Act are really significant and are ready to address them should we know what the issues are to be addressed. And so that's one of the constraints on us at this moment, I think.

CLINTON: Well, that's an area that I would like to work with you further. And I appreciate the fact that we did get Mr. Howard appointed to do the work that he's now doing, and I think that's going to be also very informational.

I wanted to ask General Riley, you know, debris cleanup has been identified as a real holdup. I talked with Mayor Nagin from New Orleans on Monday and asked him how the Lower 9th Ward was going, because I was there in December. He said not much has happened. And there are other places within Louisiana and Mississippi where you get the same response.

I am very concerned about this and wonder, general, if you think we need to make some changes in the Stafford Act or the National Response Plan Agency activities in order to do a better job of getting on the stick with this and getting it done more efficiently.

RILEY: Yes, Senator. There is clearly in the 9th Ward a challenge. And mainly the challenge has been -- well, very quickly the Corps was able, under FEMA's mission assignment, to move and clear the rights of way, and that happened very quickly.

What the challenge was then was the slow return of residents. As residents return, they'll put more debris out in the right of way, so we'll go clean that up fairly quickly.

The real challenge in 9th Ward and other areas that were heavily damaged was obtaining the right of entry signed by the resident and the bank and the mortgage company and through the state and FEMA and the community before it got to us. So, the only thing that the Stafford Act could do, I would think, would be take away personal rights of their property. So I would hate to see that.

It's a very deliberate procedure, but it's all in the interest of protecting personal property rights. So we don't just go on their property -- now, if there is a tree that's about to damage public property, we can go onto private property and take care of that, but in any other instance we defer to their personal property rights and get a signed right of entry before we enter on that private property, to demolish a structure, for instance.

CLINTON: Well, General, I think that sounds real good, but what I've heard, both from New Orleans and from some of the surrounding parishes, is that there were a lot of contracts that were giving to independent debris removal companies and they haven't done the job either. So, I mean, it's like, you're not doing the job because you can't get permission, but everybody I've talked to says they've been waiting desperately now for months to get somebody to come remove their debris.

So, I mean, I think we're kind of in a circular position here, and it doesn't add up to me, and as part of our review I think it would be appropriate, Mr. Chairman, to ask the Army Corps and FEMA for a breakdown of the debris removal contracts let during Hurricane Katrina, you know, who got them, what the dollar amounts were, who the prime contractors subcontracted out of, because what I've been hearing from people is that the money has just been dissipated. It went to some prime contractor who subcontracted to somebody else who subcontracted to his brother-in-law, subcontracted to, you know, his uncle, and by the time it got down to the person who was supposed to go haul the debris away, there was hardly any money left.

So I think we need to look into this, because it may be that we want to recommend, you know, pre-positioning material and having contracts already on the ready and having qualified people who can perform this function at a cost effective rate that saves the taxpayers dollars.

So I'm not -- I'm certainly far from satisfied that this is an area that we've done a particularly good job in. In fact, I think we've failed miserably in many instances, and I think we can do better. So, I think, Mr. Chairman, this is one place we need to emphasize.

INHOFE: You know, Senator Clinton, what you might do at this point is go ahead and direct that question to one of the witnesses for the record with a response and find out. I think it's a good idea.

CLINTON: I would like to ask both General Riley and Mr. Shea to provide us with information about the contracts that were let with respect to debris removal after Katrina. Will you do that, General?

RILEY: Yes, Senator, I sure will.

CLINTON: Thank you.

Mr. Shea?

SHEA: We will.

CLINTON: Thank you, sir.

Thank you, Mr. Chairman.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you.

I certainly agree with that. Catastrophic events are by definition different, and we need a plan to deal with that.

I wanted to ask all three of you. During the 1990s, we had close coordination with state and local government through Project Impact. Now we have the Disaster Mitigation Act which,

based on your testimony, we're not really yet fully understanding, implementing, making sense of.

Let me ask each of you, starting with you, Ms. Little, do we need to restore Project Impact as a model for how to coordinate better at the state, local and federal level?

LITTLE: Senator Clinton, I'm not sure that it matters that it's exactly Project Impact, but certainly both pre- and post-disaster mitigation are very important to reducing ultimate government cost for disaster.

If states can be allowed this enhanced roll of managing, then there will be close coordination, not only with state and local government, but also with the private sector, which is very important. As long as the private sector and the citizens are also invested in mitigation opportunities at the funding that they have put in and with the funding that the federal government has to put in, then it can be a complimented and coordinated effort in that regard.

So, I'm not sure that it matters that you call it Project Impact, but both post-disaster and pre-disaster mitigation are vitally important.

CLINTON: And do each of you agree with that, Ms. Pogue and Mr. Mascelli?

POGUE: I think the greatest value of Project Impact -- I was a state coordinator for Project Impact in Rhode Island, most outstanding state one year -- was the link with the private sector and the business community. It's all about disaster resilient communities, and a community is not going to become disaster resilient or sustainable unless you look at the economic impact on that community, and the greatest value to Project Impact, and I can speak on behalf of the state of Hawaii and the state of Rhode Island, is that we had a direct connection with our state economic development division, our realtors, our chambers of commerce and our local private business people. And that, more than anything else, and a lot of fantastic things came out of Project Impact, but that to me is what is missing now, is a direct connect with the business community, and they took on the responsibility of dealing with what happens when and what happens if, and preparing for that.

CLINTON: I would just underscore that. And you agree with that too, Mr. Mascelli?

MASCELLI: I agree, that in the sense that whatever we call it and whatever it is...

CLINTON: It doesn't matter what we call it.

MASCELLI: It doesn't matter. I think it's the right attention given where mitigation is actually producing the results we need it to produce.

CLINTON: Well, I've been visiting with lots of businesses, obviously, in the last five years, since 9/11, and it is surprising to me how desperate they are to get good information. You know, big shopping center owners, other large business interests, some of the companies that run recreational facilities, entertainment venues. They don't know where to go anymore, and they've been knocking on a lot of doors. And, frankly, the doors aren't opening up for them. So I think this is an area of great importance going forward.

Ms. Pogue, I wanted to ask you, you know, we've now had 18 months of severe flooding in upstate New York. We've had two 100-year floods and one 300-year flood, and it has been devastating, because most of the communities up there, along the Susquehanna, along the Delaware, you know, the Mohawk, they are small, rural communities, beautiful communities, and some of those areas had 30-year-old flood maps. They didn't have any idea of how best to protect themselves. And the first flood came, and they scrambled for help and, frankly, didn't get a lot of help from the federal government. The second flood came, and they haven't even recovered, and now we've had this horrible third, 300- year flood.

So what else can we do to try to provide communities with updated and accurate floodplain maps and data and then coordinate them so they're better prepared in facing these disasters, Ms. Pogue?

POGUE: I think primarily what you're addressing or what you're asking is great, because in Rhode Island we're having the same situation. It's about risk communication. And as you probably know, the FEMA Mapping and Modernization Program, which has been underway for about three years or so, will be updating all of the flood insurance rate maps throughout the country.

New York, as a matter of fact, has one of the more aggressive, proactive programs, which has been tremendous. And so I think that, and the concerns that you're addressing, I completely emphasize with, because Rhode Island brags about the fact that our flood maps are probably some of the oldest in the country. So I can completely understand what you're saying, and we too are going to be updating all of our flood maps.

I think in addition to updating those flood maps, so people will be better aware of where the risks more accurate are, it's getting into public education and outreach. Our governor has basically undertaken an initiative to get the word out, because people do not understand flood insurance. They do not understand how to protect themselves. There is incredible misinformation out there. And so we are actively, actively working with FEMA, which by the way has a tremendous program called Flood Smart, that gets the word out, that helps business owners as well as people who rent, who, by the way, don't know they can buy flood insurance, as well as people who own homes. How they can buy flood insurance, where they can buy it and what the coverage does entail.

So I think they need to understand the risks, which with the flood mapping program is going to happen, and then they need to understand what they can do about addressing that risk.

CLINTON: Can I ask just one more question, Mr. Chairman?

I am concerned about planning and coordination for mass evacuations. We have seen the National Hurricane Center predicting severe hurricanes for this year and for the foreseeable future, not only in the Gulf but along the East Coast, and there is a particular concern about New York City and Long Island.

In fact, the "National Geographic," when they did their special on Katrina, at the very back of the magazine, there was a chart about where the next disastrous, catastrophic flooding from hurricanes, and New York City and Long Island were at the top of the list.

Given our experience in Katrina and all of the confusion, given the fact that I just read that the state is still arguing with DHS about who is responsible for what in terms of evacuation, you know, who has to do the planning, I mean, this is really troubling to me.

Could each of you comment briefly about how we could better coordinate and expedite the planning for mass evacuations and, you know, what role the federal government, through DHS and FEMA could play in trying to help get us organized to do this. Do you have any comments on that, Mr. Mascelli?

MASCELLI: Yes, ma'am.

It's a very significant issue, and I think that right now the way that we have it structured is, evacuation tends to be a local issue. Local county, local municipality, then goes to the state, federal government. Per se, has not been involved in to a great degree evacuation planning.

But I think the reality is, again, looking at our demographics, look where we have people now living. We're becoming more urbanized across the country, and living in coastal areas, et cetera, that the evacuations that we saw last year of the Houston area and New Orleans, et cetera, are our future, and clearly those evacuation activities far exceed the local municipal capacity, county capacity, in most cases state capacity.

So it would seem that evacuations, particularly these big operations, are really a national issue. Therefore, we should involve the national government, the federal government, in terms of how we get at these things. Big issue. We're going to be dealing with it for a while.

CLINTON: Ms. Pogue?

POGUE: I just completed the statewide hurricane evacuation routing system for Rhode Island, and I'll tell you what came out of that. We had 210 meetings with our communities. We worked with the federal government, meaning the National Weather Service, and the Army Corps. We took the coastal inundation and flood maps and storm surge maps.

The result is we have for the first time a digital geo-reference evacuation routing system for the entire state, and what it meant was not just meeting with individual communities, but also meeting with them in regions and getting them to coordinate amongst one another. So, we literally have from top to bottom, all 39 miles, we have a coordinated approach to what is going to happen and where they're going to evacuate.

And so it can be a mass evacuation or just one particular community within Rhode Island. And as a result of that, the folks have bought into that. They know where they're supposed to go. Because we have a heavy tourism season in August and September as well, but that took meeting with communities.

And I've got to be honest with you, in terms of the federal government, you know, as a state emergency manager, I think it's on us. I worked with the DOT very, very close and with our cities and towns, so they now know that it's their responsibility. They know where they have to be. We have pre-position points that are going to be traffic choke points. We have a detailed, with, quite frankly, federal highway money, so that was a federal initiative there. They just did an analysis of what we came up with and we basically were 100 percent right on.

So I think it's, like debris management, it's preplanning. You need to plan now in order to be able to deal with it then.

CLINTON: And Ms. Little?

LITTLE: Senator Clinton, likewise in Ohio, we were one of the states that accepted evacuees and were pre-pared to accept evacuees from the Gulf Coast states during Katrina. We found that our partnership with our volunteer agencies and many other private businesses in Ohio was far more than we knew, and I think just the fact of having gone through that once and now learning together, we coordinated very closely with our regional office in Chicago, FEMA regional office, and with our volunteer organizations and several private businesses that stepped up very quickly. And I think as we plan together, we've got to coordinate it not only with state and local government but with private business and our very fine volunteer partners.

CLINTON: Well, thank you so much, and thank you for this panel, Mr. Chairman, and I guess I would just conclude by saying, you know, to me it is, you know, it's going to happen at the site. People have to take responsibility for themselves. But I think we've learned that the federal government has to drive this pro-cess, and when it doesn't, when it gets distracted or diverted or whatever happens, you know, a lot of places are left on their own without the expertise, without the experience, and, you know, frankly, that then comes back to cost us all money, and we have loss of life and loss of property that we could have avoided.

So, I think that again there are some things we can do, and clearly the chairman and I think we can do it bet-ter than we're doing it, and we're going to keep pushing to try to make that happen. But I thank each of you for your years and years of experience. It's a wonderful panel to hear from. Thank you.

INHOFE: Thank you, Senator Clinton.

It's the policy of the committee to leave the record open for a week and then we have several senators, in-cluding Senator Vitter, who has questions that will be submitted for the record.

I appreciate your patience very much, for your staying here, and we are adjourned.

END

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DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS CONFER-ENCE ON THE MINIMUM WAGE, 8/2/2006

CLINTON: Well, I want to thank my colleagues but, particularly, I want to thank everyone here today who's part of this national effort to do the right thing.

CLINTON: We haven't had a minimum wage increase in nearly 10 years, and certainly hardworking people like Janelle (ph) feel it in their pocketbooks. With the cost of gas going

up, with the cost of health care going up, with the cost of everything going up, that minimum wage buys less and less every single day.

So we've been trying, under Senator Kennedy's leadership, to do the right thing and raise the minimum wage. We finally ran out of patience. And Senator Kennedy and I introduced legislation a few months ago which linked a raise in the minimum wage to the congressional salary increase, which has happened just like clockwork over the last nine years.

The difference is, I think, startling. You know, if you work 40 hours a week, 52 weeks a year, you'll bring home about \$10,700. And that's below the poverty line.

In the comparable time since it's been that we last saw a minimum wage increase, Congress has raised its salary by nearly three times that amount. And that's on top of an already generous salary, far above what most Americans make.

So we've said, "No more congressional pay increases until we raise the minimum wage." And so what happens?

Well, the House sends over this package of deceptive bait-and-switch, kind of, legislation and expects the Senate to roll over. And that's not going to happen.

This is bad for America. You know, there are things in that package of bills that every one of us would sign on to. But we're not going to sign on to a deceptive minimum wage that would actually lower the incomes of thousands and thousands of workers in states across our country.

CLINTON: So we're standing firm and we are proud to have so many allies standing with us.

And it's now my pleasure to introduce Sister Simone Campbell. She's the national coordinator of NETWORK, which is a Catholic social justice organization.

Sister?

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON THE FUTURE OF MILITARY COMMISSIONS, 8/2/2006

CLINTON: Thank you, Mr. Chairman.

And welcome, General Gonzales, Secretary England.

Secretary England, I appreciate very much your being here because I think it is important, and I assume you agree, to have our civilian leadership testify before this committee.

ENGLAND: Yes, I do.

CLINTON: Secretary England, I'm not sure you are aware, but the leadership of this committee, Chairman Warner, formally invited Secretary Rumsfeld to appear before us at an open hearing tomorrow, alongside General Pace and General Abizaid, because of the pressing importance of the issue to be discussed; namely, Iraq, Afghanistan, the Middle East, our country's policies affecting each of those areas.

Unfortunately, Secretary Rumsfeld has declined to do so. He has instead opted to appear only in private settings.

I understand yesterday he appeared behind closed doors with the Republican senators. I'm told tomorrow he will be appearing again behind closed doors with all senators.

But I'm concerned, Mr. Secretary, because I think that this committee, and the American public, deserve to hear from the secretary of defense.

We are going to be out in our states for the recess. Obviously, these matters are much on the minds of our constituents. And I would appreciate your conveying the concern that I, and certainly the leadership which invited the secretary to be here, have with his inability to schedule an appearance before this committee to discuss the most important issues facing our country.

CLINTON: I appreciate your agreement that it is important to have our civilian leadership appear. And obviously we will look forward to having our military leadership tomorrow. But I think it's hard to understand why the secretary would not appear in public before this committee, answer our questions, answer the questions that are on the minds of our constituents.

WARNER: If you would yield, Senator, on my time, not to take away from yours?

You're accurate. Senator Levin and I did, as we customarily do, wrote the secretary, as well as the chairman of the Joint Chiefs and General Abizaid. The secretary made a special effort to get General Abizaid over here such that he could appear before the committee.

It was the intention of myself as chairman that tomorrow's very important hearing focus on the military operations being conducted in Iraq and Afghanistan and the impact of other military operations by other countries in the theater of Israel, Lebanon and Palestine.

I discussed with the secretary, and at no time did he refuse to come up here. I simply had to coordinate this with the leadership of the Senate -- most importantly, my leader -- and he felt it would be desirable for the whole Senate to have a panel consisting of the secretaries of state, defense, chairman Joint Chiefs, and General Abizaid. And given that option, the decision was made that we would do that one as opposed to both, given the secretary's schedule.

So I do not detract that from your time.

CLINTON: Mr. Chairman, I appreciate the explanation.

I think it is abundantly clear, however, to the members of this committee, as it is to countless Americans that the secretary has been a very involved manager in the military decision-making that has gone on in the last five years. And in fact, in recent publications, there's quite a great deal of detail as to the secretary's decision-making -- one might even say interference, second guessing, overruling the military leadership of our country.

CLINTON: And I, for one, am deeply disturbed at the failures, the constant, consistent failures of strategy with respect to Iraq, Afghanistan, and elsewhere. And I don't think that those failures can be appropriately attributed to our military leadership.

So, although the secretary finds time to address the Republican senators, although he finds time to address us behind closed doors, I think the American people deserve to see the principal decision-maker when it comes to these matters that are putting our young men and women at risk.

More than 2,500 of them have lost their lives. And this secretary of defense, I think, owes the American people more than he is providing.

So I appreciate the invitation that you extended, as is your want. You worked very hard, I know, to create the environment in which we would have the opportunity to question the

secretary. Unfortunately, he chose only to make himself available to us behind closed doors, out of view of the public, the press, our constituents, our military and their families. And I think that is unfortunate.

WARNER: I would only add that we have under consideration a press conference following his appearance before the senators tomorrow. And, further, we have under discussion, as soon as the Senate returns in September, an overall hearing on many of the issues which the distinguished senator from New York raises.

CLINTON: I thank you, Mr. Chairman.

CLINTON: Attorney General Gonzales, I want to follow up on the line of questioning from Senator McCain, because I'm, frankly, confused.

You have testified with respect to Common Article 3, and I think we have clarified that perhaps your statement was not fully understood because you stated the U.S. military had never before been in a conflict in which it applied Common Article 3 as the governing detention standard.

You acknowledge, however, that we have frequently applied the higher standard of the Geneva Conventions to regular and lawful combatants who are captured as prisoners of war. And, in fact, you agree with the JAGs who appear before us that that is the standard that our military trains to.

Now, why not, then, apply the higher standard? Why go seeking another standard? Apply the standard to which we are already training our troops, rather than trying to come up with a different, perhaps even lower standard, that would provide for less protective treatment of detainees.

GONZALES: Senator, that is certainly a policy decision that one could adopt. The court, however, did not say that all of the protections of Geneva applied to our conflict with Al Qaida. The court simply said that Common Article 3 applies to our conflict with Al Qaida.

And that's the problem, or issue, or challenge that's been created as a result of the Hamdan decision. And that's what we're trying to do in this legislation, is trying to address that particular issue that's been created as a result of that decision.

CLINTON: Well, do you anticipate that the legislation will include United States citizens as enemy combatants?

GONZALES: No, ma'am.

First of all, with respect to the procedures under military commission order 1, there was never any question that it would not apply to trials of American citizens. And I can say with confidence there is agreement within the administration that the commission procedures that we would have Congress consider would not relate to American citizens.

CLINTON: Now I know that we keep coming back to this distinction that seems to be at the heart of the disagreement over the treatment of these people, what ever we call them.

And some in the administration, as I understand it, have argued that there should be a distinction between unlawful enemy combatants, those who act in violation of the laws and customs of war, and so-called lawful enemy combatants who might be, for example, full members of the regular armed forces of a state party.

How do those categories, the lawful enemy combat, differ from what is commonly known as prisoners of war? Is there a difference between a lawful enemy combatant and a prisoner of war?

GONZALES: Yes, Senator, there is a difference. I think if you're a prisoner of war, you get all the protections under the Geneva Conventions that we normally think of with respect to the Geneva Convention.

And our soldiers are entitled to those protections because they fight according to the laws of war, they carry weapons openly, they wear a uniform, they operate under a command structure.

And so they would be entitled to all of the protections under the Geneva Convention.

GONZALES: But the Geneva Convention is a treaty between state parties. And, for example, the president made a determination that in our conflict with Al Qaida the requirements of the Geneva Conventions would not apply because Al Qaida is not a signatory party to the Geneva Convention, and therefore they would not be entitled to all of the protections of the Geneva Convention. However, the president made a decision that, nonetheless, they would be treated humanely, consistent with the principles of the Geneva Convention.

The president also made a determination that with respect to the Taliban, they were -- Afghanistan was a signatory to the Geneva Convention. However, because they did not fight according to the requirements of the Geneva Convention, that they, too, would not be afforded the protections of prisoners of war under the Geneva Convention.

CLINTON: Well, then, just to finish, you would then make the argument that during the Vietnam War we would have treated a north Vietnamese prisoner different from a Viet Cong prisoner?

GONZALES: I probably don't know -- I'd hesitate to answer that question. It's conceivable, given their status. My recollection about the governing or ruling government in that country makes it difficult for me to answer that question, but it's conceivable, yes, ma'am.

CLINTON: Thank you.

U.S. SENATOR JOHN W. WARNER (R-VA) HOLDS A HEARING ON IRAQ, AFGHANISTAN AND COUNTERTERRORISM MEASURES, 8/3/2006

CLINTON: Thank you very much, Senator McCain.

Mr. Secretary, we're glad you're here.

In your opening statement, you reference the common sense of Americans. Well, I think it's fair to say that that collective common sense overwhelmingly does not either understand or approve of the way you and the administration are handling Iraq and Afghanistan.

Under your leadership, there have been numerous errors in judgment that have led us to where we are in Iraq and Afghanistan. We have a full-fledged insurgency and full-blown sectarian conflict in Iraq.

Now, whether you label it a civil war or not, it certainly has created a situation of extreme violence and the continuing loss of life among our troops and of the Iraqis.

You did not go into Iraq with enough troops to establish law and order.

CLINTON: You disbanded the entire Iraqi army. Now, we're trying to recreate it.

You did not do enough planning for what is called Phase Four and rejected all the planning that had been done previously to maintain stability after the regime was overthrown.

You underestimated the nature and strength of the insurgency, the sectarian violence and the spread of Iranian influence.

Last year, Congress passed the United States Policy in Iraq Act, which I strongly supported. This law declares 2006 to be a year of significant transition to full Iraqi sovereignty, with Iraqi security forces taking the lead for the security of a free and sovereign Iraq, thereby creating the conditions for the phased redeployment of U.S. forces from Iraq.

However, we appear to be moving in the opposite direction, with the number of U.S. troops in Iraq scheduled to increase, not decrease. That's the only way I think you can fairly consider the decision with respect to the 172nd Stryker Brigade.

So, Mr. Secretary, as we returned to our states for the August recess, our constituents have a lot of questions and concerns about the current state of affairs in both Iraq and Afghanistan.

I don't need to remind any of us that we continue to lose our young men and women: 120 from New York alone.

Beside the U.S. losses, violence does seem to be increasing. From January to June of this year, there were 14,338 Iraqi civilian casualties, at least as far as anyone can count; in May and June alone, more than 5,000 deaths and 5,700 injuries.

In a July 22 article in the New York Times, General Abizaid was quoted as saying, "Two months after the new Iraqi government took office, the security gains that we had hoped for had not been achieved."

Then there was the big, ballyhooed announcement of Forward Together and the commitment by the new Iraqi government to secure Baghdad.

CLINTON: Two months into that, it's clear it's not working and we are now putting in more American troops and -- following the lead of Senator McCain's line of questioning -- removing them from other places that are hardly stable and secure.

In Afghanistan, your administration's credibility is also suspect. In December 2002, you said, "The Taliban are gone." In September 2004, President Bush said, "The Taliban no longer is in existence."

However, this February, DIA Director Lieutenant General Maples said that, in 2005, attacks by the Taliban and other anti-coalition forces were up 20 percent from 2004 levels, and these insurgents were a greater threat to the Afghan government's efforts to expand its authority than in any time since 2001.

Further, General Eikenberry made a comparable comment with respect to the dangers that are now going on in Afghanistan and the failure to be able to secure it.

Obviously, I could go on and on. A recent book, aptly titled "Fiasco," describes in some detail the decision-making apparatus that has led us to this situation.

So, Mr. Secretary, when our constituents ask for evidence that your policy in Iraq and Afghanistan will be successful, you don't leave us with much to talk about. Yes, we hear a lot of happy talk and rosy scenarios, but because of the administration's strategic blunders and, frankly, the record of incompetence in executing, you are presiding over a failed policy.

Given your track record, Secretary Rumsfeld, why should we believe your assurances now?

RUMSFELD: My goodness.

First, I tried to make notes and to follow the prepared statement you've presented.

First of all, it's true: There is sectarian conflict in Iraq and there is a loss of life.

RUMSFELD: And it's an unfortunate and tragic thing that that's taking place.

And it is true that there are people who are attempting to prevent that government from being successful. And they are the people who are blowing up buildings and killing innocent men, women and children, and taking off the heads of people on television. And the idea of their prevailing is unacceptable.

Second, you said the number of troops were wrong. I guess history will make a judgment on that. The number of troops that went in and the number of troops that were there every month since and the number of troops that are there today reflected the best judgment of the military commanders on the ground, their superiors, General Pace, General Abizaid, the civilian leadership of the Department of Defense and the president of the United States.

I think it's not correct to assume that they were wrong numbers. And I don't think the evidence suggests that, and it will be interesting to see what history decides.

The balance between having too many and contributing to an insurgency by the feeling of occupation and the risk of having too few and having the security situation not be sufficient for the political progress to go forward is a complicated set of decisions. And I don't know that there's any guidebook that tells you how to do it. There's no rule book. There's no history for this.

And the judgments that have been made have been made by exceedingly well-trained people: the gentleman sitting next to me, the people on the ground in Iraq. They were studied and examined and analyzed by the civilian leadership and by the president, and they were confirmed. And so I think your assertion is, at least, debatable.

The idea that the army was disbanded, I think, is one that's, kind of, flying around. My impression is that to a great extent that army disbanded itself. Our forces came in so fast -- it was made up of a lot of Shia conscripts who didn't want to be in it and thousands -- or at least many, many hundreds -- of Sunni generals who weren't about to hang around after Saddam Hussein and his sons and administration were replaced.

The work to build a new army has included an awful lot of people from the prior army, and it has benefited from that.

Third, the assertion that the government rejected all the planning that had been done before is just simply false; that's not the case. The planning that had been done before was taken into account by the people who were executing the post-major combat operations activities.

The comments about Baghdad I'll possibly let General Abizaid comment on.

RUMSFELD: The goal is not to have U.S. forces do the heavy lifting in Baghdad. There are many, many more Iraqi forces in Baghdad.

The role of the U.S. forces is to help them, to provide logistics, to assist them as needed, and to create a presence that will allow the Iraqi security forces to succeed, and then, as our forces step back, allow the Iraqi security forces to be sufficient to maintain order in the city.

I can't predict if it will work this time. It may or it may not.

It happens to represent the best judgment of General Casey, General Chiarelli and the military leadership. And General Abizaid and General Pace and I have reviewed it. And we think that it is a sensible approach, as General Abizaid testified earlier.

Afghanistan -- I don't know who said what about whether the Taliban are gone, but, in fact, the Taliban that were running Afghanistan and ruling Afghanistan were replaced. And they were replaced by an election that took place in that country. And in terms of a government, or governing entity, they were gone. And that's a fact.

Are there still Taliban around? You bet.

Are they occupying safe havens in Afghanistan and other places -- correction -- in Pakistan and other places? Certainly they are.

Is the violence up? Yes.

Does the violence tend to be up during the summer and spring, summer and fall months? Yes, it does. And it tends to decline during the winter period.

Does that represent failed policy? I don't know. I would say not. I think you've got an awful lot of very talented people engaged in this. And the decisions that are being made are being made with great care after a great deal of consideration.

Are there setbacks? Yes.

Are there things that people can't anticipate? Yes.

Does the enemy have a brain and continue to make adjustments on the ground, requiring our forces to continue to make adjustments? You bet.

Is that going to continue to be the case? I think so.

Is this problem going to get solved in the near term about this long struggle against violent extremism? No, I don't believe it is, I think it's going to take some time.

And I know the question was, some wars lasted three years, some wars lasted four years, some wars lasted five years. The Cold War lasted 40-plus years.

And the struggle against violent extremists who are determined to prevent free people from exercising their rights as free people is going to go on a long time, and it's going to be a tough one.

That does not mean that we have to spend the rest of our lives, as the United States armed forces, in Iraq. The Iraqis are going to have to take that over. We can't want freedom more for the Iraqi people than they want for themselves. And Senator Thune mentioned earlier about that issue.

And I would point out the number of tips that have been coming from Iraqi people have been going up steadily. They're at a very high level. And it does suggest to me that the Iraqi people do want to have a free country, as I mentioned, because of their voting pattern.

So I would disagree strongly with your statement.

CLINTON: Well, Mr. Secretary, I know you would, and I know you feel strongly about it, but there's a track record here. This is not 2002, 2003, 2004, '5, when you appeared before this committee and made many comments and presented many assurances that have, frankly, proven to be unfulfilled. And...

RUMSFELD: Senator, I don't think that's true. I have never painted a rosy picture. I've been very measured in my words. And you'd have a dickens of a time trying to find instances where I've been excessively optimistic. I understand this is tough stuff.

CLINTON: Well, Mr. Chairman, I would like unanimous consent to submit for the record a number of the secretary's former comments. And also, may we keep the record open for additional questions?

WARNER: The record will remain open until the close of business today for all members to contribute additional questions.

CLINTON: Thank you, Mr. Chairman.

"ABC Nightline," ABC, 9/7/2006

(Off-camera) Good evening. I'm Cynthia McFadden. **Hillary Rodham Clinton** is, according to the polls, one of the most polarizing figures in American public life. But love her or not, everybody, it seems, is interested in her. For one of the world's most prominent women, she is notoriously careful around the press, rarely letting her guard down. But last week, she agreed to let us follow her for a day of campaigning. While the election events we attended were clearly orchestrated by her staff to show her in the best possible light, we saw a lot. As (inaudible) might say, by just watching. We begin in Geneva, New York.

GRAPHICS: MAP OF GENEVA, NEW YORK

SENATOR HILLARY **CLINTON** (DEMOCRAT

Hi, Cynthia. How are you?

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Good morning.

SENATOR HILLARY **CLINTON** (DEMOCRAT

How are you?

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) How are you?

SENATOR HILLARY **CLINTON** (DEMOCRAT

I'm excellent.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) It's 9:00 in the morning. We'll later find out this is the last time we'll be on schedule all day.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Now, how's your son?

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) He's great. Thank you for remembering.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Good. Is he in school in New York?

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Yeah. Second grade.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Second grade.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) I'm supposed to be asking the questions.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Well, you know, we haven't talked for a long time. We have all day.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Well, it's my turn. Do you actually like it? Do you like campaigning?

SENATOR HILLARY **CLINTON** (DEMOCRAT

I love it. I absolutely love it. You know, I've done it for so many years, obviously, for Bill, but for a lot of other, you know, candidates around the country. For, you know, all kinds of offices. And when I started seven years ago, in July of '99, I really wasn't sure that I would like it for me.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Right.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I like saying, 'Please vote for Cynthia because, you know, et cetera, et cetera.' But to stand up and say, please vote for me. That was hard. And for months, my friends kept saying, 'You gotta stop saying we. You have to start saying I and me.' And it took a while. And anybody who followed, sort of the rocky trajectory of, you know, my getting out there on my own knows that I had to work really hard.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) They want us to take a walk.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) We've arranged for the Senator's staff to take walk in the garden.

CLINTON STAFF MEMBER (FEMALE)

Can we take some tea with us?

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) You're not allowed to have breakfast. No.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Bill has all these rules of politics, which I now understand completely.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Which are?

SENATOR HILLARY **CLINTON** (DEMOCRAT

One is, when you're, you know, it's time to go when you start having fun.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) You know, a lot of people look to Upstate New York and wonder whether Upstate New York is like the red states.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Certainly here in Upstate New York, people, you know, they wanna see you up close and personal. It's very much like my experience in Arkansas.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) What is that about? I mean, people literally wanna shake your hand.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Absolutely. And look in your eye and kind of gauge who you are and what you're up to.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Is that what it's about, you think?

SENATOR HILLARY **CLINTON** (DEMOCRAT

I think, I think it is.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) This retail politics where you?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Yeah. I think that's it. I think that is what it's about because it's really hard to get a grasp on reality right now, you know. Look, I think we have, you know, an administration in Washington that's sort of living in an evidence-free zone. Not exactly connected with what's going on in terms of facts and evidence here and around the world. And people, you know, they want a connection.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) I asked the Senator if she's better in personal than on television. She says it's what everybody tells her.

SENATOR HILLARY **CLINTON** (DEMOCRAT

But the TV is very, you know, confining. I was at a senior - I was at a nursing home in - outside of Buffalo last week. Going around and shaking hands. And one of the aged goes - 'Why, you're so much thinner. You're so much smaller.' And I said 'Well, yes, ma'am.' And she goes, 'Now, how did that happen?' I said, 'Well, I don't know. I mean, it's just different on TV.'

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) Now, the day truly begins as the Senator and her entourage, including her secret service detail in trademark black SUVs speed across the New York countryside, headed for the old eerie canal town of Palmyra, where development of the canal as a tourist attraction is on the minds of the locals.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I was entranced with the canal. Of course, I love the fact that it was originally called 'Clinton's ditch.' You know, this makes me feel very connected in a personal way. Okay. You're so welcome.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) It quickly becomes clear that the Senator is not adverse to photographs.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Where is the cafe sign?

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) Lots...

SENATOR HILLARY **CLINTON** (DEMOCRAT

Here we go. Can you see everybody?

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) ...and lots of photographs.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Can you get it all now?

PALMYRA RESIDENT (FEMALE)

Yep.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) Then, the long walk to the town's gazebo. A politician's dream. A secret service nightmare.

SENATOR HILLARY **CLINTON** (DEMOCRAT

We've been working to help provide loan capital to a lot of small businesses.

PALMYRA RESIDENT (FEMALE)

I think she's fabulous. I think she's more beautiful in person. But more than her beauty, she's genuine and very intelligent and well-spoken.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) But, you're a Republican?

PALMYRA RESIDENT (FEMALE)

Yes, I am.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Did you support her last time?

PALMYRA RESIDENT (FEMALE)

I did not. But I think I probably will this time.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Check off Palmyra. It's on to Seneca Falls, 24 miles down the road and she's running more than an hour late.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Hi, everybody. Hi, how are you? Nice to see you. I'll come out and say hello, okay? How are you? So good to see you all. Hi. Hi. Thank you so much. And it is, indeed, an honor to be here.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) She's here to take a vow for the \$800,000 in Federal funding she's obtained for the National Women's Hall of Fame. Its future site, our next stop. That's when controversy strikes. Unexpectedly, in the form of just two words.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So, to honor women here. It's perfect place to ask you, is America ready for a female president?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, I hope so. It just depends upon, you know, when and if that happens. We'll just have to stay tuned.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) The words 'stay tuned' were construed by AP wire service reporter standing behind me to be a coy hint from Clinton regarding her presidential aspirations. The next morning, papers around the world carried the story, including the New York Post. A glimpse, perhaps, into why the senator is so famously cautious about what she says. But the show here must go on. Next stop, the lakeside village of Moravia, where the Senator meets with a small group of working mothers and their children.

MORAVIA RESIDENT (FEMALE)

Hi.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

How are you?

MORAVIA RESIDENT (FEMALE)

Good.

SENATOR HILLARY **CLINTON** (DEMOCRAT

How old are you?

MORAVIA RESIDENT (FEMALE)

Five.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Five years old. You know, I had glasses just like that when I was your age. I love your glasses.

MORAVIA RESIDENT (FEMALE)

Thank you.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So, okay, it's now 3:00. We're an hour behind.

SENATOR HILLARY **CLINTON** (DEMOCRAT

That does seem to be the story of my life.

CYNTHIA MCFADDEN (ABC NEWS)

(Voiceover) But there's always time for one more picture.

SENATOR HILLARY **CLINTON** (DEMOCRAT

You look great. Okay. Everybody here? A couple more. And that's great.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Hand-to-hand campaigning. Pundits say Senator Clinton must win and win big in Upstate New York, where a majority of voters went for President Bush last time. To make a credible case, she could win a presidential election, if she decides to run. When we come back, the Senator takes aim at President Bush.

ANNOUNCER

ABC News 'Nightline,' brought to you by...

COMMERCIAL BREAK

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) We continue now on the campaign trail. Senator **Hillary Rodham Clinton** has been accused of being calculating, opportunistic, even of lacking any principles with regard to both the war in Iraq and her marriage. By 6 PM, the Clinton caravan has arrived in Cazenovia, New York at a big, red barn, where we will sit down to talk about it all.

GRAPHICS: MAP OF CAZENOVIA, NEW YORK

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) As you know, the left wing blogs - you're not their favorite person at the moment.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

You know, we work together. We have common cause in some areas. We disagree in others. But that's true with everybody.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) You must scratch your head sometimes, though. I mean, either you're too liberal. You're not liberal enough.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Yeah. It's sort of like the Goldilocks theory of politics, you know? But I have a pretty good idea how difficult it is to be universally liked. And I don't expect that.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So, an association game, if you will, a word or two about the following political folks, okay? President George Bush.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Disappointing.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Because?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Oh, on so many fronts. You know, I think our country is really headed in the wrong direction. And after 9/11, we were united. And there was an opportunity for leadership that pulled us together, not just in the immediate aftermath of that horrific attack, but for months and years. And called us to sacrifice on behalf of a larger, national purpose. But that didn't happen. And we have paid a big price for it.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) All right. So George Bush is disappointing. What about John McCain?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Intriguing. You know, I know him as a colleague and a friend. He is someone who has strong opinions and doesn't hesitate to express them. I agree in some areas. Disagree with many others. But I enjoy his company.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Hillary Clinton?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Hmm. Well, I'm gonna leave that to others. I am myself. So, you know, I don't have much objectivity. I am who I am.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) If you could pick an adjective that you hope people would use to describe you, what would it be?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Real. You know, I think that when you've been in the public eye as long as I have and you are basically viewed through so many different lenses, and there has been kind of a cottage industry in trying to turn me into a caricature of who I am. I have loved the opportunity in the last seven years in New York for people to get to know me.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So, you've campaigned all day today.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I did.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) And perhaps the greatest campaigner in our generation played golf today.

SENATOR HILLARY **CLINTON** (DEMOCRAT

That's right. That's right.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) I wanna ask you about something that's on the minds of a lot of people, which is, is your marriage fair game? The New York Times clearly thinks so. Front-page article about how many days you spend with your husband, 14 is their answer, a month. How angry did that article make you?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Not at all. You know, I just don't pay any attention to it. I really don't. My attitude is I have no control over what somebody wants to talk about or write about.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Really?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Really.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) It doesn't hurt. It doesn't make you mad? I mean, it would sure make me mad, I think.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

No. Well, maybe I've just been at this too long. It just, you know, I learned really a long time ago, you take criticism seriously but not personally. You know, everybody lives their lives differently. And my life is mine. And I'm not gonna cede it to anybody. I'm not giving up any piece of it. I'm not, you know, letting anybody have any control over it. I live my life according to my best values and what I think is important. And people can make their own judgments about it.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Are you a different person in that regard today, as you sit here at 58, than you were at 28, 38?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Certainly. You know, I think that's one of the great gifts of life, if you're willing to keep learning. You know, that's been something I've worked very hard at.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) I wanna turn to Iraq.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Yes.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) And probe a little bit on what your position is at this point. You were one of the Democrats who cast a vote in favor of enabling the President to go into Iraq. Do you, as we sit here today, with the information we have today, regret casting that vote?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, I can only look at what I knew at the time because I don't think you get do-overs in life. I think you have to take responsibility. And hopefully, learn from it and go forward. I regret very much the way the President used the authority he was given because I think he misled the Congress, and he misled the country. And he misused the authority.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) As we sit here today, was it a mistake to go into Iraq?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, given this administration's track record, they have been nothing but a series of mistakes. So even if one could say they made mistakes and they shouldn't have done it, right now, we're in a series of challenging decisions. And they aren't demonstrating the leadership necessary.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) You know, even some of your supporters, though, and I talked to a couple today, want you to say, 'I'm sorry I cast the vote. I'm sorry I enabled the President.'

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, I understand that because certainly the feelings about Iraq are very raw and deep. And I share them. But I don't think that's responsible. And I've taken a lot of heat from my friends who have said, 'Please, just, you know, throw in the towel and say let's get out by a date certain.' I don't think that's responsible, either. And it may be frustrating for some, but I don't think complicated situations in life or, frankly, in foreign policy and military affairs often lend themselves to answers that can be put into a sound byte. And I would like us to be gone as soon as we responsibly can, but I also wanna be sure that we've exhausted every alternative, politically, diplomatically, to try to support this government, which, after all, is trying.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Is there a link between Iraq - the war in Iraq and terrorism? The President says, yes. What do you say?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, the President is right, if you're talking about today, but not if you're going back to 9/11 or 2002, when the vote was cast or even March 2003, when the invasion occurred. I just wish that this President and Vice President would get out of the bubble they're in, quit listening to the people their listening, change they're national security team and maybe bring in some new voices, which is why I've called for the resignation or the firing, frankly, of Donald Rumsfeld. But instead, they're back to, you know, business as usual. Trying to make links that don't exist. Trying to draw historical analogies that are not accurate. I think that does a great disservice, not only to the American people but, frankly, to the quality of decision-making. You know, I believe if you're a responsible decision maker, you can never close your mind to the facts on the ground or to people who might have a different point of view. But in this White House, it's a small circle of people. Frankly, it's an echo chamber.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So the only person in America who seems not to be talking about whether or not you're gonna run for president is you. So let me just ask you the question directly, are you running for president in 2008?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

I am not thinking about that at all. You know, I, I know everybody else is. And lots of other people are saying, 'Oh, she is, she is.' But the truth is, I don't think about it. I haven't made any decision about it because that's not how I think and how I work.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) So to New Yorkers who say, 'Senator, are you gonna be around for the full six years of your term if we re-elect you?' You say?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

I say, 'Right now, I'm not thinking about anything else except being re-elected. And I hope you will support me in November. I hope I've earned your vote.'

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) And if someone other than you were having to make a decision about running for president...

SENATOR HILLARY **CLINTON** (DEMOCRAT)

You're good. You're good.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) I'm trying. Realistic to say, has - the decision has to be made by whomever is going to run by next spring?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Again, I don't buy any of that. You know, my husband made a decision to run in October of the year before. Other people work for decades.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) You know, to someone who's not involved in politics, this may sound like a foolish question to you. But I have to tell you it's a sincere one - why would anyone want to be president? Can you help me understand that?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, I think, if someone did and were willing to run the gauntlet to do it, that person would have to believe that you could provide service to the country and leadership at a time when it's desperately needed. And instead, we get sort of partisan rhetoric and political gamesmanship and finger pointing and blame placing. And that's not leadership. People are pretty smart. And they know we don't have it right now. So, whoever would come next would have to believe in their heart that they could do that. And that's what the country needs more than anything right now.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Sounds like a woman who's running for office.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Well, for the Senate. Again, I hope.

CYNTHIA MCFADDEN (ABC NEWS)

(Off-camera) Today, Senator Clinton has raised over \$47 million for her barely contested Senate race. She told me the funds are to help her stay on top of her, quote, 'political situation.' They are not, she said, a war chest for a presidential run. When we come back, a surprise visit from the ex-president himself.

COMMERCIAL BREAK] [EOF999

"The Early Show," CBS, 9/11/2006

Right after 9/11, party politics was not part of the war on terror. But now, Democrats say the Bush administration has not done enough to protect Americans. Republicans say that no attacks on the US since 9/11 is proof that the war on terror is working. New York Senator Hillary Clinton has been in the middle of that debate, and she joins us here this morning.

Good morning. Thanks for being with us.

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Good morning, Harry.

SMITH: One of the questions we've been asking for the last week, are we safe? Are we safer? And the question I want to ask this morning, is the world any less dangerous than it was five years ago?

Sen. **CLINTON**: Well, we are, you know, we are safer. We're not safe enough. And the world is dangerous, the world's always been dangerous. But now we have a lot of copy cats, jihadist terrorists. We've got a lot of spreading of this ideology. So we need to be safer, and we need to be smarter. We have to have a very strong but effective response.

SMITH: Has the country done enough where--the fighting in Afghanistan has re-escalated again, the Taliban has reconstituted itself, the numbers in some places even greater than it was before. How can it be five years later, we're still fighting that battle?

Sen. **CLINTON**: Well, we took our eye off the ball. I mean, we diverted resources and attention to Iraq, and we didn't finish the job. That, to me, is one of the great missed opportunities, and I don't understand why that happened, but it did. And so now we're going to have to get more NATO troops, more American support to go in to support the government of Afghanistan, to try to, you know, redo what we should have done right the first time.

SMITH: You were among those who advocated going to war in Iraq. We're in Iraq now, more than 2500 Americans have died there. There's still an unbelievable lethal situation on the

ground, day to day for Iraqi civilians. The president says this is the centerpiece in the war on terror. Do you believe it, that that is true?

Sen. **CLINTON:** Well, I did not advocate that. I voted to give the president authority to have the United States Congress behind him when he went to the UN to put inspectors back in, to figure out what Saddam Hussein had. That would not have been the choice, in my opinion, that we should have pursued at that time, but you know, I thought it was reasonable to give him that authority. Nevertheless, it is a big problem now. It is a source of terrorists, and getting better tactics, learning how to be suicide bombers, learning how to do the IEDs.

SMITH: Whether there were no terrorists before, it's full of terrorists now.

Sen. **CLINTON:** That's--it's full of people who are learning and applying tactics in terrorism that have been both imported from Afghanistan, Iran and elsewhere, and now can be exported.

SMITH: Very quickly, there's a tug of war of words, as it were, between Christy Todd Whitman and Mayor--former Mayor Giuliani, about this--the lethality, or the dangerous level of the air here at ground zero. Do you remember that time? And who is, in the end, responsible for people not wearing respirators?

Sen. **CLINTON:** Well, I remember it very well, because I think I was the first person within days who said, you know, this air is not safe, and we've got to protect the people who are working on the pile. The federal government basically lied. They said the air was safe to breath, they tried to dismiss the concerns that many of us had, and people are suffering now. All levels of government should have done more. We should have done more to be honest with people about what they were actually encountering, we should have done more to make sure that the men and women who were on that pile day in and day out had appropriate equipment to protect themselves.

SMITH: Senator Clinton, we thank you so much for your time this morning. We do appreciate it.

Sen. **CLINTON:** Thanks.

SMITH: You bet.

Much more from ground zero on this anniversary of 9/11. We'll be right back.

HANNAH STORM, co-host (Washington, DC):

We'll have much more from ground zero coming up, and from here in Washington, DC. We're reporting from the Pentagon, where 184 people perished on 9/11. The story of a miraculous survival.

"The Situation Room," CNN, 9/11/2006

BLITZER: Joining us now from ground zero is Senator Hillary Clinton.

Senator Clinton, on this fifth anniversary of 9/11, a very somber day, are you among those Democrats who believe that too many U.S. military resources were diverted after 9/11 to fight the war in Iraq and, as a result, the U.S. is not safer today?

U.S. SENATOR HILLARY **CLINTON** (D-NY): Well, Wolf, I think we are safer, but we're not safe enough. I think that we know that our borders and our ports and our mass transit and rail systems, our bridges, our tunnels, our chemical, nuclear plants are just not yet where they need to be and we're not following the recommendations of all the experts, including the 9/11 commission, that we distribute money here at home based on what the risk is.

So my primary focus today, as I spent time with family members and, you know, reflected back the last five years, is whether we've done everything we know to do to protect our citizens here in New York and across America and I think, unfortunately, the answer is not yet.

BLITZER: I ask the question because of what your Democratic colleague, Senator John Rockefeller of West Virginia, said over the weekend. He is the vice chairman of the Senate Intelligence Committee, as you know.

He said, "Saddam wasn't going to attack us. He would have been isolated there. He would have been in control of that country, but we wouldn't have depleted our resources preventing us from prosecuting a war on terror, which is what this is all about."

He's suggesting that we'd be better off today if the U.S. had not gone to war and removed Saddam Hussein.

CLINTON: Well, I have the highest regard for him and he has been at the forefront of an effort to try to get the facts out.

I mean, one of the challenges we've had, frankly, the last five years in making policy and assessing risks and threats and figuring out what we need to do in a united way on behalf of our security, is the real difficulty in getting the facts out and having a system that is based on evidence as opposed to ideology or wishful thinking or whatever other brand of decision-making is going on.

So I think that for many of us, the fact that the Taliban is resurgent, that al-Qaeda is still present in Afghanistan, that the government that has been valiantly try to pull that country together there is under tremendous pressure, is deeply concerning.

After all, the attacks against us that destroyed the towers behind me came from al-Qaeda, in safe haven from the Taliban in Afghanistan. And there is no doubt, no one with a straight face can doubt that we diverted resources away from our primary mission.

Now, there may be other missions in this global war against terror, but the primary mission was to defeat and destroy those who attacked us and we still haven't finished the job.

BLITZER: So knowing what you know now, had you known that before the vote authorizing the president to go to war, would you have voted for that resolution?

CLINTON: Well, Wolf, I've answered that a million times. You know, you don't get do-overs in life. You have to make decisions based on the information that you are given and, unfortunately, the authority given the president that could have usefully been employed to send in inspectors and keep them there and make sure that, you know, Saddam didn't go off on some wild tangent was not followed through on and we know the results.

But we've got to deal with the facts as we face them today. We have a very dangerous situation in Iraq. We have a dangerous situation in Afghanistan. We have a dangerous situation in the Middle East.

We have a deteriorating set of situations in Africa. You can go around the globe. And, you know, my duty as a Senator, especially representing New York, is to try to figure out what we need to be doing with our resources, with our young men and women in uniform, with our law enforcement capacity, with the many different elements of our power, not just military, but also diplomatic, economic, and political, to make us safer and to try to work hand-in-hand with like-minded people around our globe.

And I think we have a lot of work to do and it would be my hope that we would get back to a sense of unity that would come together, look at the evidence, be honest about the risks we face, frankly, the lessons that we should have learned in the last five years, the mistakes that have been made, and try to have a smart strategy that will be effective in protecting our country and defeating our enemy.

BLITZER: We're almost out of time, Senator, but what about this "ABC" movie that began airing last night, part one? I don't know if you have had a chance to see the revisions, the final cuts that were made given the concern that several of former President Clinton's advisers, including the former president and yourself, had made that they weren't being accurate as far as the 9/11 commission report.

Did you have a chance to see the film last night?

CLINTON: No, I didn't. I have no intention of doing so. You know, the facts are, you know, very well-developed in the 9/11 commission. This is a serious matter.

This is historically important that we get it right. There's no need to embroider, to make things up. We ought to be looking at the facts and then we ought to be determining what we should do as a nation in order to make our country safer.

BLITZER: One final political question, Senator, before I let you go.

You said the other day two words that intrigued a lot of people, the words "stay tuned" when asked about if you are running for president down the road.

I know you have to first get re-elected in New York state, but it doesn't look like you have a very tough contest coming up.

How long should we stay tuned for your answer?

CLINTON: Well, that was totally taken out of context and, you know, I've responded to that.

But the important thing today is, you know, not to get into politics. I've suspended my campaign.

I want to keep the focus where it needs to be, on the solemn, sober moment that we have today to reflect and remember and I hope people across the country are joining us in doing that.

BLITZER: What's the most important thing all of us should look back and remember on this day, looking back five years ago, Senator?

CLINTON: Well, at a personal level, to really cherish your relationships and love those that are in your family and your friends and just don't take anything for granted in life.

And on a more global or national level, you know, let's just resolve that we're going to be united as a country in the face of the threats that we confront and let's try to get beyond politics. Let's try to, you know, have that same spirit renewed that we had in the days and weeks immediately following 9/11.

That's what we owe our children.

BLITZER: Senator Clinton, thanks very much for spending a few moments with us on this fifth anniversary of 9/11.

CLINTON: Thank you, Wolf.

(END VIDEOTAPE)

"Today," NBC, 9/11/2006

MR. LAUER: New York's junior senator, Democrat **Hillary Rodham Clinton**, will be here at Ground Zero all morning long to help commemorate those lost on 9/11.

Senator Clinton, good to have you here. Good morning.

SEN. **CLINTON:** Thank you.

MR. LAUER: Let me ask you the question that so many Americans are going to ask each other and their leaders this morning, and that is, are we safer today, five years after these attacks of 9/11?

SEN. **CLINTON:** I think it is fair to say that we are safer, but we're not safe enough. We still have a lot of work to do. We have to make our borders and our ports and our rail and mass transit systems safer than they are today. We've got to make sure our bridges and our tunnels and our infrastructure is protected; nuclear and chemical plants, for example.

We have done a lot, but we still haven't put the money where the threat and the risk is. I mean, that was one of the major recommendations to come out of the 9/11 commission report. It's something that I wish we would do more of, because the intelligence I see -- and obviously none of us sees the president's intelligence, which is the overall look at the threats and the risks -- but what I do see shows that New York is still the number one target of the terrorists. And so much of the money has been spread broadly instead of concentrated.

MR. LAUER: We conducted a poll and asked people, are they safer? Do they at least feel safer? Seventy-four percent said, "Yes, I feel safer today than I did" prior to -- or, you know, right after 9/11. How much credit does the Bush administration deserve for that number?

SEN. **CLINTON:** They deserve credit. The Congress deserves credit. Governors and mayors, police and fire departments deserve credit. I think it's been an incredible national effort. But I still think that there are big gaps and that there are missing opportunities that we haven't yet fulfilled.

MR. LAUER: In some ways, some have called it a numbers game. And I'm curious how you feel about this. Do you think that there are more or less people today, more or fewer people today, who want to bring harm to the United States than there were in the days prior to 9/11 and the actions we've taken post-9/11?

SEN. **CLINTON:** There are probably more.

MR. LAUER: Why?

SEN. **CLINTON:** I think, first of all, the copycat effect that always happens when there's some kind of a tragic event -- from our perspective, tragic; from our enemies' perspective, you know, explosive, worldwide attention. People are going to want to be in that category, unfortunately.

I think also that we've seen actions take place in countries, not just our own -- Britain, Spain, Indonesia, India, other places -- where there are lots of local groups that share the ideology.

MR. LAUER: But our response to 9/11 in particular, Senator, has it created more enemies, in your opinion?

SEN. **CLINTON:** I think that there is certainly a very strong case to be made that in Iraq people are now turning into suicide bombers. The insurgents and the foreign jihadist terrorists have learned a lot. They have acquired skills that they didn't necessarily have before. We're seeing suicide bombing now in Afghanistan, something that we never saw before.

So the source of the hatred, the source of the conflict, has probably spread beyond just the small group called al Qaeda.

MR. LAUER: The president announced and confirmed last week something most of us have thought for a while, that the CIA had secret sites around the world where they interrogated and detained terror suspects, people like Khalid Sheikh Mohammed, and used alternative questioning methods.

Are you comfortable that the United States did not break the law in conducting that kind of interrogations in those secret sites?

SEN. **CLINTON:** We just don't know, Matt. We're trying to learn more. What I'm interested in is what's effective. You know --

MR. LAUER: Do the ends justify the means?

SEN. **CLINTON:** Well, it depends. You know, we don't know what the ends necessarily are or what the means have to be. What I'm concerned about is that there's a dispute going on within our government between very experienced interrogators, like those of the FBI, and some who have gone the extra step in ways that we may or may not either approve of or think is effective.

My bottom line is, what will keep us within the rule of law and work? And I think there was a tendency to sort of throw out the rulebook, throw out the past; you know, we have to do something different. Well, sometimes what worked in the past does work now and into the future. We have to learn a lot more about what went on than we have up until today.

MR. LAUER: Senator Clinton, good to have you here.

SEN. **CLINTON:** Thank you.

MR. LAUER: I know you'll be here all morning.

SEN. **CLINTON:** Yes. Thanks, Matt.

"The Early Show," CBS, 9/11/2006

MR. SMITH: Right after 9/11, party politics was not part of the war on terror. But now Democrats say the Bush administration has not done enough to protect Americans. Republicans say that no attacks in the U.S. since 9/11 is proof that the war on terror is working.

New York Senator Hillary Clinton has been in the middle of that debate, and she joins us here this morning.

Good morning. Thanks for being with us.

SEN. **CLINTON:** Good morning, Harry.

MR. SMITH: One of the questions that we've been asking for the last week -- are we safe? Are we safer? And the question I want to ask this morning, is the world any less dangerous than it was five years ago?

SEN. **CLINTON:** Well, we are -- you know, we are safer. We're not safe enough. And the world is dangerous. The world has always been dangerous. But now we have a lot of

copycat jihadist terrorists. We've got a lot of spreading of this ideology. So we need to be safer and we need to be smarter. We have to have a very strong but effective response.

MR. SMITH: Has the country done enough? The fighting in Afghanistan has re-escalated again. The Taliban has reconstituted itself in numbers in some places even greater than it was before. How can it be, five years later, we're still fighting that battle?

SEN. **CLINTON:** Oh, we took our eye off the ball. I mean, we diverted resources and attention to Iraq and we didn't finish the job. That, to me, is one of the great missed opportunities. And I don't understand why that happened, but it did. And so now we are going to have to get more NATO troops, more American support, to go in to support the government of Afghanistan, to try to redo what we should have done right the first time.

MR. SMITH: You are among those who advocated going to war in Iraq. We're in Iraq now. More than 2,500 Americans have died there. There is still an unbelievably lethal situation on the ground day to day for Iraqi civilians.

The president says this is the centerpiece in the war on terror. Do you believe that is true?

SEN. **CLINTON:** I did not advocate that. I voted to give the president authority to have the United States Congress behind him when he went to the U.N. to put inspectors back in to figure out what Saddam Hussein had. That would not have been the choice, in my opinion, that we should have pursued at that time. But, you know, I thought it was reasonable to give him that authority.

Nevertheless, it is a big problem now. It is a source of terrorists and getting better tactics, learning how to be suicide bombers, learning how to --

MR. SMITH: Where there were no terrorists before, it's full of terrorists now.

SEN. **CLINTON:** It's full of people who are learning and applying tactics in terrorism that have been both imported from Afghanistan, Iran and elsewhere and now can be exported.

MR. SMITH: Very quickly, there's a tug of war of words, as it were, between Christie Todd Whitman and former Mayor Giuliani about the lethality or the dangerous level of the air here at Ground Zero. Do you remember that time? And who is, in the end, responsible for people not wearing respirators?

SEN. **CLINTON:** Well, I remember it very well, because I think I was the first person, within days, who said, you know, "This air is not safe, and we've got to protect the people who are working on the pile."

The federal government basically lied. They said the air was safe to breathe. They tried to dismiss the concerns that many of us had. And people are suffering now. All levels of government should have done more. We should have done more to be honest with people about what they were actually encountering. We should have done more to make sure that the men and women who were on that pile day in and day out had the appropriate equipment to protect themselves.

MR. SMITH: Senator Clinton, we thank you so much for your time this morning; do appreciate it.

"Hardball," MSNBC, 9/11/2006

MR. MATTHEWS: On the morning when the United States was attacked, New York Senator Hillary Clinton was in Washington preparing for a Senate committee meeting. After the planes hit the twin towers, she immediately returned to New York. Here's her personal reflection from that day and the weeks that fol-lowed.

(Begin videotaped segment.)

SEN. CLINTON: We took a helicopter into the city. As we were helicoptering over Ground Zero, we hov-ered above it. I can't think of anything other than "Dante's Inferno." I mean, it was as close to a visual de-piction of hell as I've ever seen.

And, you know, we landed. We went into the area of Ground Zero with the governor and the mayor. And I remember watching the firefighters coming out of this wall of black soot, dragging their axes, some of them, you know, totally exhausted. They'd been on duty 24 hours straight. And I just -- you know, my eyes were just totally teared up from the emotions plus the toxic stew that was in the air.

And I just watched these men come out of that hell and I just was so overwhelmed by their courage. I mean, everything that has been said about them, every single tribute that has been given to them, is not ad-equate to what they did -- to the danger they ran into, to the lives they saved.

MR. MATTHEWS: Can you remember where you were when you first heard?

SEN. CLINTON: Absolutely. I was getting ready to leave my house here in Washington to come to a committee meeting of the so-called Health Committee. Laura Bush was scheduled to testify that morning to our committee. And Mrs. Bush had been taken to safety. Obviously the meeting was not going to be held.

The Secret Service sort of came to me and said, you know, "We want to get you out of here. We don't know what's going to happen." And I paid attention to them, as I have for the last many years. So I said, "Where are we going to go?" And they said, "Well, why don't you go back home till we know what's going on."

So, you know, I took a couple of staff with me because I knew we were going to have to figure out who to contact. And I started trying to call, first of all, my daughter. She'd been in New York that morning, staying with one of her friends who, you know, lived downtown. My husband was in Australia. I'm trying to find him.

So I get back to my house and I'm just glued in front of the TV set, you know, dialing up, talking to people, you know, obviously talking to my colleagues, talking to my staff, talking to the governor, talking to the mayor, putting in a call to the president; just, you know, "What are we to do? What is expected?"

You know, later that day we had a full Senate meeting over at the Capitol Hill police headquarters.

MR. MATTHEWS: When did you talk to your husband?

SEN. CLINTON: I finally reached him, you know, sometime that day. It all blurs together. You know, the president, President Bush, sent a plane for him to get him back, which I thought was a very kind gesture on his part. So we were out of communication after -- you know, basically he said he was all right. He wanted to know how we were and tried to get more information from me. And then we were out of communication for hours because he was on the plane. But, you know, he finally got home.

Now, Chelsea, with so many people from Lower Manhattan, you know, had to walk north, you know, so many blocks. And it was just an extraordinary experience for her and the friends that she was with.

MR. MATTHEWS: You're a senator from New York. And how do you think that affected your feelings on 9/11?

SEN. CLINTON: You know, Chris, I think I would have been affected, as most of us were, no matter where I was or what I was doing. But the fact that I felt such a sense of responsibility was just overwhelming. I cannot tell you how just deeply emotionally impacted I was.

I wanted to be there to help the victims. I wanted to be there to help the survivors. I wanted to be there to help the city. So the fact that I had a job that was connected with trying to be in some way supportive and responsive both made it more real, because I had to get up every single day and figure out what I was going to do, and much more personal than I think would have been even possible had I been somewhere else in the country.

MR. MATTHEWS: When the 9/11 hijackers went into the buildings, people say they were shrieking with delight.

SEN. CLINTON: Well, we've heard that before. We heard stories of people who, in this religious frenzy that they get worked into or manipulated into -- I've never quite figured that out -- feel as though they're going to paradise.

And it is a mind-set that is very difficult for people like us to even penetrate. We don't understand how someone could worship death, who could believe that they would be rewarded in paradise for murdering innocent people. Now, frankly, the ones who sent them to their death are the real masterminds of this.

MR. MATTHEWS: The question is raised and argued that the world is different after 9/11. What do you think?

SEN. CLINTON: Well, I think it certainly is for me. It is for many Americans in the way that an event of such enormous importance just sort of divides your life, sort of pre-9/11, post-9/11. And for thousands of people, life will never be the same.

But I think it's also important that we maintain our values and our common sense about who we are as people and how we have to promote our interests and our concerns in the world and how we have to make more friends and allies and not enemies, because if we're in for a

long struggle, as we hear all the time -- and I don't doubt that; I think it is a struggle against an ideology that has religious overtones to it -- then we've got to be smart about how we are dealing with that.

So we can't act as though we're all born on 9/11. We have to look at history. We have to learn from history. We have to, you know, summon the best among us. We have to be smart about, you know, what's the best way to defeat this new enemy we have.

So I think it's a combination of, yes, recognizing it was an unbelievable shift in thinking and an historic mile-stone, but, you know, we're Americans and we have a lot that we can draw on and we believe and our convictions, and how we then present that to the world is really important. So I hope that we kind of carry both the significance of the event but also place it in a larger context as we go forward in the world.

U.S. SENATORS DEBBIE STABENOW (D-MI), HILLARY RODHAM CLINTON (D-NY) AND MARIA CANTWELL (D-WA) HOLD A NEWS TELECONFERENCE ON JOB CREATION, 9/14/2006

CLINTON: Well, thank you so much, Senator Cantwell. I want to thank you and Senator Stabenow, because both of you really done a terrific job in drawing attention to what can be the win-win strategy for our country.

We can, you know, strengthen our economy, create jobs, provide new technologies and exports. We can, obviously, help our environment. And we can make our security not dependent upon the oil-producing states in very dangerous, difficult parts of the world.

There are a lot of examples as to why we believe the Clean Edge Act can not only accelerate but really deepen the trends that are beginning to occur.

In New York, for example, we've got entrepreneurs converting an idle brewery into an ethanol plant, which is going to create hundreds of construction jobs and provide about 100 permanent jobs. We've got people working in fuel cells and solar. And we've really got a lot going on.

But we need to change our approach from the national level, get new incentives, take away the support and subsidies for the fossil fuels, which clearly don't need them, given their high levels of profits.

And by passing the Clean Edge Act, we would create more than 530,000 jobs by the time it's fully implemented in 2009. New York would see about 27,000 of those jobs.

These jobs would be higher-paying jobs because they'd be in manufacturing, where the wages are higher. And they would be in the construction sector, where the wages are higher.

So this is a triple-win strategy. And we are just doing everything we can to get the word out. And we want to thank the Apollo Alliance and the Economic Policy Institute for producing this study, which clearly under-scores the significance of the legislation that we are promoting.

And I'm going to have to sign off. But I just wanted to jump on to underscore my commitment to the Clean Edge Act and to what it represents and then turn it back to Senators Cantwell and Stabenow.

DEMOCRATIC MEMBERS OF THE SENATE AND HOUSE OF REPRESENTATIVES HOLD A NEWS CONFERENCE ON FEDERAL HELP FOR 9/11 RESPONDERS, 9/20/2006

MALONEY: Our senator is our first speaker: Senator Hillary Rodham Clinton who has worked tirelessly and selflessly to help the heroes and heroines of 9/11.

Thank you for coming.

CLINTON: Thank you very much, Carolyn.

And we are here as a united team on behalf of those brave men and women who rushed in to save others; who labored for days, weeks and months both in the rescue and then in the recovery and rebuilding efforts; the volunteers, the residents, the people who are still paying the price for the horrific attacks that were launched against New York and our country.

CLINTON: This has been an issue of great concern to me ever since I went to Ground Zero and saw it for the first time the day after the attacks. And I have consistently called for help for people who are suffering from chronic illnesses, terminal conditions who have been disabled, who have had to quit work, who's quality of life and indeed their very life has suffered.

We are asking for help from the federal government. Last week, I introduced an amendment to require the federal government to step up with \$1.9 billion to continue providing help to the many people who are suffering.

You know, when Mt. Sinai, represented here by Dr. Herbert, put forth its findings, they said nearly 70 percent of the people who were tested were suffering. And about 40 percent of them had no insurance.

Dr. Kelly, who is representing the fire department, and her team have been examining our brave firefighters who cannot breathe, who cannot continue working, who are sick and, I would add, even dying.

I've written to Chairman Enzi of the Senate Health, Education, Labor and Pensions Committee that he hold a hearing and mark up my legislation to provide this \$1.9 billion to be offered in grants to take care of the people who took care of us.

This is not going away. And we're going to keep coming to our capital. We're going to keep advocating and agitating on behalf of people like John Sferazo and others, many of whom we know personally who are bearing the marks of that terrible day in September five years ago.

We have to stand with them and we have to make sure they get the health care that they need.

CLINTON: And I'm grateful that my colleagues in government, Congresswoman Maloney, Congressman Is-rael, Congressman Fossella...

(CROSSTALK)

CLINTON: And we got the \$125 million. Finally, we're going to get it distributed. But that is just a down-payment, a small downpayment. We will not rest until we get the funds from our government to take care of all the people who are suffering.

MALONEY: Thank you so much, Senator.

This is a bipartisan effort.

Vito?

FOSSELLA: Thank you, Congresswoman Maloney, again, and Senator Clinton and Congressmen Pascrell and Israel and others who have joined us.

Fundamentally, what we need is a permanent and comprehensive plan from the federal government to en-sure that everybody who responded, all those responders who heroically responded in the aftermath of 9/11, gets the health care they need.

I don't want to repeat the statistics. About 40 percent or so uninsured. Forty percent more under-insured.

We see it, and the facts speak for themselves. In the New York City Fire Department, where on an annual basis perhaps 30 or so men retired due to respiratory problems, now we see on an annual basis about 150 to 160 -- overall, a factor of about 12 -- are retiring because of the pulmonary problems that they've experi-enced. Not to mention the mental illness issues that continue to grow.

Carolyn Maloney and I will be, if not already, introducing legislation to mirror that of Senator Clinton's in the Senate, to ensure that the health care dollars from the federal government are there.

The American people have been very compassionate to date, and has taken care of a lot of rebuilding New York City, ground zero, its infrastructure. And we know what it's like to cut checks for other parts of the world who need our help as well.

But we will not go away until the people, the American citizens who (inaudible) need our help get the help that they expect, that they deserve, and that the federal government should step up and help those in New York City, New Jersey, Connecticut and beyond do what's right for our fellow citizens.

Thank you.

MALONEY: Thank you so much.

I, first of all, want to thank our senator and my colleagues in government for standing with us today and for working to achieve the release of the \$125 million that will be going for treatment, part of it, \$65 million, the \$90 for monitoring; and to thank Mt. Sinai and the fire department for their studies.

MALONEY: We had a briefing earlier this morning with members of Congress where the doctors gave the results of their studies. And the results are very harrowing, that 70 percent are sick, that 40 percent do not have any health insurance.

And we are here today to hold Congress and the president to their pledge to never forget the terrorist attacks of 9/11.

To keep this promise, the federal government must ensure that everyone who was exposed to the deadly toxins is monitored, and everyone who is sick is treated.

It has been five years since 9/11. And just as the pain of that day is still with us, sadly, neither have the health problems of so many 9/11 responders -- they still have sicknesses from it.

On that day, we lost nearly 3,000 people, but many thousands more lost their health. And we know that, from the report this morning, that our firefighters are very sick; that the firefighters, on average, have a loss of 12 years of lung capacity.

We learned that over 600 have retired from the fire department due to illnesses related to their experience at 9/11. And we know that there are at least seven deaths directly related to the toxins at Ground Zero.

What we do not know is: When will the federal government finally have a plan to deal with this emergency health problem? And we need one.

That is why I fully support a resolution that my colleague, Congressman Fossella, is putting before Congress to call upon the Department of Health and Human Services to develop a plan that will finally medically monitor everyone who was exposed, not just the responders, but the school children that were in the area, the residents, the volunteers, the federal workers who are not part of the other monitoring programs.

And that is why, three years ago, with many of my colleagues, I introduced the Remember 9/11 Health Act, which calls for complete monitoring, health treatment and much-needed research and coordination.

We are reintroducing that legislation today to include the \$1.9 billion that the senator from New York is championing in the Senate.

And the time to act is now. We have to live up to our pledge to never forget. And the way to live up to that pledge is to take care of the men and women who responded heroically to help others on that day.

(END COVERAGE)

END

U.S. SENATORS CARL LEVIN (D-MI), JACK REED (D-RI) AND HILLARY RODHAM CLINTON (D-NY) HOLD A NEWS CONFERENCE ON NATIONAL SECURITY, 9/26/2006

CLINTON: Under their proposal, supported by the Democratic leadership in both houses of Congress, we would begin a phased redeployment of U.S. troops this year as a means of pressuring the Iraqis to take more responsibility for their future.

We would also be pressuring them to deal with their internal political challenges, not kick them until next year, which apparently they've decided to do; and put a real international effort together to try to decide what the neighbors were going to do to prevent a failed state on their borders.

The news reports this week regarding the April classified national intelligence estimate assessing the impact of Iraq on the global war on terror only adds more urgency to the importance of changing course in Iraq.

At this point, I would settle for just admitting that we're on the wrong course while we try to figure out what to do next. Let's have that debate in the Congress and in the country.

Having reviewed the NIE, I'm very much in favor of the decision to declassify it. This needs to be part of the debate, and this is information from those whom we entrust with assessing threats we face and providing their best analysis.

Now, this November Americans will decide if they want to change course in Iraq or whether they want to continue with a rubber-stamp Congress that continually supports a failed policy in Iraq, and now, as we can tell from what's been leaked about the NIE, a failing policy in terms of containing, deterring and defeating the terrorist leaders and operatives in the global war on terror.

This is an important choice, and we need to continually remind our fellow Americans of what is at stake. And I particularly thank my colleagues because of their leadership over many years on behalf of these issues.

QUESTION: Senator Levin, I wonder if you can elaborate on your view that releasing only the summaries of the findings of the NIE wouldn't be enough, because I believe the president just indicated that that what he's instructed Ambassador Negroponte (OFF-MIKE) you're on the Intelligence Committee.

QUESTION: You have had the opportunity to review the full reports.

Do the findings represent what we would find if we weren't able to see those reports?

LEVIN: There's a lot of material outside of the findings which is highly relevant to the Iraq war and to its relationship to the spread of terrorism in the world.

And so it shouldn't just be the findings -- they're a minority portion of the report. It should be everything in the report that relates to Iraq.

As far as I'm concerned, the entire report should be declassified -- period. But at a minimum, the entire report that relates to Iraq -- findings or the body of the report -- should be declassified.

There is material beyond the findings which is highly relevant to this subject and very, very -- I think -- enlightening and eye-opening for the American people as to the relationship between the war in Iraq and the spread on terrorism.

Give me your second question again.

QUESTION: It's following up on that. But given that you are one of the few members of Congress who has been able to read the whole thing, do the findings adequately express (OFF-MIKE)?

LEVIN: I think if my first answer covers that, I will leave it at that.

CLINTON: I've also read it. And I guess I was under the impression the entire report was going to be released. And I would urge the administration to release the entire report because, as Senator Levin has said, the report and the findings really go together. And I don't think we'd be doing a service to the American people to just selectively release it.

QUESTION: Senator Clinton, and I don't know if the other senators were in the meeting with President Talabani or not (OFF-MIKE) did you engage him in this view of yours, policy has failed, something needs to be done? Did you bring that up? And if so, what was his response?

CLINTON: Well, several of us have met with President Talabani. I know that Senator Levin has, and a number of us have.

He's a very effective salesman for his point of view, and I respect that about him. He's here to present the very best possible case for continuing American involvement in Iraq.

CLINTON: But in my conversations with him -- I also saw him last week -- he certainly recognizes how difficult the problems are that Iraq confronts.

Like many of the leaders of Iraq with whom I have met over the years, he describes a lot of plans about how that's all going to be dealt with. The problem is in the execution.

And I think, as we heard yesterday from the two retired generals and the colonel, a lot of the problems in the execution, I think, is because of our poor planning and implementation in setting up the police force, in deBaathification, in disbanding the army. They're playing a lot of catch up.

So I think it's fair to say that they are obviously in an effort to try to help effect American public opinion. And I think they would be surprised to learn that all we're going to do is continue the course. And I think that's what's troubling to many of us.

LEVIN: Let me answer in terms of my conversation with President Talabani this morning.

I quoted him; what he said. I told him I find it incredible that an American president, frankly, would tell an Iraqi president that we're going to remain in Iraq until they ask us to leave, because that gives them the decision over our troops.

And I said that that is not what I believe the American people believe has got to be the case, and it sure isn't what I believe needs to be the case.

"And did the president actually tell you, President Talabani, that we're going to remain there until you ask us to leave?" And he said, "Yes."

And then he said, when I pointed out that that's an open-ended commitment, which is unacceptable, I believe, to most of the American people. It's an unlimited commitment.

In any event, speaking for at least many members of Congress, if not the majority, but many members, that is unacceptable to us to have an open-ended commitment. It takes you, the Iraqi people, off the hook. It doesn't put this decision in your hands that you have to make. It doesn't put enough pressure on you to make the compromises that only you can make to put together your country. These are political decisions. It cannot be won militarily.

LEVIN: This is a sectarian violence which the sectarian leadership needs to address.

And he said -- he didn't answer that part of it. I expressed my own views to him. I engaged him very directly in this issue. I'm sure the other members who were there -- there were four of us -- five of us, in Leader Frist's office when we met with him -- will tell you it was a very direct statement to President Talabani about -- I think they got it wrong and I think our president has it wrong if they think that the American people are going to support an open-ended commitment in Iraq.

QUESTION: He didn't say anything?

LEVIN: No, he said -- no, he said that this is what the president said. And then he said something else. He said that doesn't mean that we have a veto over the operations of American troops.

That's not what the issue is. It's not whether they have a veto over the operations. Nobody has said that, including our president.

What the president apparently told them, according to President Talabani, is that we are going to stay in Iraq as long as the Iraqis want us to stay. And that is an abdication of a decision that only an American president and an American Congress can make. And he did not directly answer that.

QUESTION: How do you respond to Condi Rice, Senator Clinton?

CLINTON: As I said yesterday, I think my husband did a great job in demonstrating that Democrats are not going to take these attacks. All you have to do is read the 9/11 Commission to know what he and his administration did to protect Americans and prevent terrorist attacks against our country.

And I'm certain that if my husband and his national security team had been shown a classified report entitled "Bin Laden Determined to Attack inside the United States," he would have taken it more seriously than history suggests it was taken by our current president and his national security team.

QUESTION: (OFF-MIKE)

CLINTON: I've said all I'm going to say on this.

QUESTION: (OFF-MIKE) made in the New Yorker recently. He said that he thought the vote to support in Iraq was, quote, "a mistake," and he compared it to the Gulf of Tonkin Resolution in Vietnam.

Do you think it was a mistake? And do you think it was akin to the Gulf of Tonkin resolution?

CLINTON: Well, you know, I've said many times I regret deeply the way this president has used the authority that was given to him by the Congress and the way he continues to use it.

And there have been a series of mistakes laid out in great detail yesterday by our retired military officers who had been put into the very difficult position, first on active duty, now in retirement, of trying to figure out how we're going to recover from these mistakes.

QUESTION: But the president suggested -- President Clinton suggested that the vote itself was a mistake. Do you think the vote was a mistake?

CLINTON: I have said many times what I just said.

QUESTION: Senator Clinton, yesterday in the hearing with the generals and the colonel, Senator Clinton, you asked the question specifically about their thoughts on troop withdrawal regarding a date certain.

What was your assessment of what they said? They seemed to indicate that more troops were needed. I just want to get your take on it, since the amendment that Senator Reed and Senator Levin offered said somewhat the contrary.

CLINTON: Well, I'm going to let them speak for themselves. They are certainly more than competent to express their opinions on military matters. And what came through loudly and clearly was that they feel like there has been a series of strategic and tactical blunders that have rendered our position in Iraq dangerous and difficult, but that it could get even worse. And by getting worse, they were very clear that that could spread to a larger regional conflict.

And what I have always appreciated about what Senators Levin and Reed have done is they have been very focused on trying to figure out how to improve our situation on the ground. The phased redeployment is part of a broader strategy of trying to bring in new thinking and new strategic and tactical efforts to try to turn this around.

Because, as you may recall from yesterday, I prefaced my question by saying, we don't want to see this fail. I don't think any American does. And certainly those of us who have been there and have worried and worked over this are still looking for some glimmer of hope from this administration that we can have a more sensible, successful policy.

CLINTON: And I would just underscore that every one of them said a successful policy has to start with removing the people in charge, starting with the secretary of defense.

We will not get a new set of eyes to take an honest look at this and try to figure out how to be more effective with the current leadership in place.

QUESTION: Initial meetings you had this morning with Talabani, they were bipartisan meetings, but did you all lawmakers go with the same message, saying that it's not open-ended?

CLINTON: There were a couple meetings.

LEVIN: Yes, I can't speak for the other meeting.

QUESTION: Yes, but...

LEVIN: In my meeting, that was my message. I got there a little bit late, so I don't know what all the messages were from the other four or five leaders that were there.

While I was there, however, that was my message. It wasn't the others.

That doesn't mean that the others who were there didn't share it. We were running out of time. And it doesn't mean that their message wasn't similar before I got there because I got there a little late.

And I wasn't at the other meeting, though, so I can't...

QUESTION: Do you think that the U.S. Army right now could do more to support the Iraqi army operations in Baghdad? I know it's a matter of some controversy in the army itself. Should we be redeploying people out of the forward operating bases into Baghdad to support this effort?

REED: Well, I think the most significant fact is limited resources in terms of troops in Iraq that's been consistent throughout.

So if you move forces from other parts of Iraq, you open up areas which could be exploited by the insurgents.

QUESTION: The question is whether you move forces that are currently based in forward operating bases into the city of Baghdad, and whether or not you double and triple the amount of U.S. advisers who were assigned to Iraq battalions.

Clearly, we have the forces to do that.

REED: Well, when you're talking about doubling and tripling the number of advisers, I don't know if you necessarily off the top of your head say, "We certainly can do that."

These are specialized people. They should have talents. They should have linguistic abilities, we hope.

So it's not a resource that's there in great quantities.

But the strategy that General Chiarelli and General Casey are pursuing now is essentially to try to go ahead and clear Baghdad.

REED: That requires forces. And if we have more American forces, I think it would go much more effectively. But they need additional Iraqi forces.

In fact, one of the complaints last week by one of the battalion commanders, or brigade commanders, was he's requested additional Iraqi forces. They're not coming because they don't want to go to Baghdad. That is a problem with the Iraqi military forces. It's a chronic problem.

Now, one other piece is clearing these neighborhoods -- is one thing. But unless we follow that up with strong reconstruction, employment programs, the other part of the equation of an anti -- counterinsurgency, we'll just be clearing them for the next several years.

That's where this administration, I think, has failed miserably in terms of providing the civilian complement to military power. And if they don't get it right in Baghdad, then we can clear it as long as we like and we'll be going back clearing it again and again and again.

QUESTION: Senator Clinton, you talked about trying to figure out what to do next. Just a quick question about that. Do you think Democrats -- you're trying to recapture the House and Senate. Do you think the Democrats have offered a specific enough strategy to how to win in Iraq, enough for the voters to understand what the competing vision is?

CLINTON: Well, I certainly think we've offered a very thoughtful assessment and strategy that has been embodied in the work that both Senators Levin and Reed have done. Unfortunately, it doesn't get much of an audience.

And it's very hard to talk about what we can do because we have the same people in charge who have failed consistently now over the last four-plus years.

So we can have the best strategy in the world, but we know very well that there is no way we can move forward on it given the current mindset and personnel within the Bush administration.

So I think that anybody who has followed what Carl and Jack and some of us have been saying, we do have different ideas. We would certainly listen more and follow the advice of the professional military.

CLINTON: We have some excellent active duty and retired officers who have written and spoken at length about what needs to be done, but it just seems like they're just whistling in the wind. Nobody is listening who's in charge in this current administration.

So one of the reasons -- and obviously, you know, we're Democrats. One of the reasons why we're hoping that we get a change in Congress is because that will finally give us some leverage to perhaps change the strategy and get some attention from this administration in negotiations and in oversight hearings about what we can do to possibly salvage the situation we find ourselves in.

And don't forget: Afghanistan is also in a much more tenuous position than it either should be or was immediately after our action there.

LEVIN: Thank you.

END

U.S. SENATOR HILLARY RODHAM CLINTON (D-NY) DELIVERS RE-MARKS AT THE COUNCIL ON FOREIGN RELATIONS, 10/31/2006

(JOINED IN PROGRESS)

CLINTON: You all know the litany of threats and challenges: the metastasizing threat of terrorists networks recruiting troops, setting up training camps, amassing weapons; a regime in North Korea openly testing mis-siles and nuclear weapons; an activist, expansionist Iran pursuing its own nuclear arsenal; a resurgent Tali-ban in Afghanistan; and an emerging civil war in Iraq; Russia and China pursuing their own interests, often at odds with such global imperatives as nuclear nonproliferation; and ending genocide in Darfur.

Oil has never been more important in funding unstable, anti- American governments and yet we have failed to make the investments necessary to move more rapidly to alternative fuels, a policy that is now as im-portant to our national security and our Mideast strategy as to our economy and environment.

The lost opportunities of the years since September 11th are the stuff of tragedy. Remember the people rallying in sympathy on the streets of Tehran; the famous headline, "We are all Americans now." Five years later, much of the world wonders what America is now.

As we face this landscape of failure and disorder, nothing is more urgent than for us to begin again to rebuild a bipartisan consensus to ensure our interests, increase our security and advance our values.

CLINTON: It could well start with what our founders had in mind when they pledged a decent respect for the opinions of mankind in the Declaration of Independence.

I think it's fair to say we are now all internationalists and we are all realists.

This administration's choices were false ones: internationalism versus unilateralism, realism versus idealism. Is there really any argument that America must remain a preeminent leader for peace and freedom, and yet we must be more willing to work in concert with other nations and international institutions to reach common goals?

The American character is both idealistic and realistic. Why can't our government reflect that?

I want to suggest three principles I believe should underlie a bipartisan consensus on national security, and consider how they apply to some of the most difficult challenges we face.

First, and most obviously, we must by word and deed renew internationalism for a new century. We did not face World War II alone. We did not face the Cold War alone. And we cannot face the global terrorist threat or other profound challenges alone either.

A terrorist cell may recruit in Southeast Asia, train in Central Asia, find funds in the Middle East and plan attacks in the U.S. or Europe.

We can stop a deadly disease anywhere along the line as it hop- scotches from continent to continent, or we can wait until it arrives at our own doors.

We can deal with climate change together now or excuse its calamitous consequences later.

We can turn our back on international institutions or we can modernize and revitalize them and, when need-ed, get about the hard work of creating new ones.

Second, we must value diplomacy as well as a strong military. We should not hesitate to engage in the world's most difficult conflicts on a diplomatic front. We cannot leave the Middle East to solve itself, or avoid direct talks with North Korea.

When faced with an existential challenge to the life of our nation, President Kennedy said, "Let us never ne-gotiate from fear, but let us never fear to negotiate."

Direct negotiations are not a sign of weakness; they're a sign of leadership.

Third, our foreign policy must blend both idealism and realism in the service of American interests.

If there's one idea that has been floated about over the last six years that I would like to see debunked, with all due respect to some of the political scientists in the room, it is this false choice between realism and ide-alism.

Is it realist or idealist to stop nuclear proliferation?

CLINTON: Is it realist or idealist to come together on global warming? Is it realist or idealist to help devel-oping nations educate their children, fight diseases and grow their economies? And is it realist or idealist to believe we must turn around the ideology underpinning terrorism?

Strategies with respect to all of the problems we face require a mix of both, and each requires building that consensus approach; that we then have to do the hard work of bringing others to our side. We cannot achieve any of the solutions that we need to be pursuing without American leadership and we cannot achieve any of them alone.

American foreign policy exists to maintain our security and serve our national interests. And in an increas-ingly interdependent world, it is in our interests to stand for human rights, to promote religious freedom, democracy, women's rights, social justice and economic empowerment.

But reality informs us we cannot force others -- nations and peoples -- to accept those values. We have to support those who embrace them, and lead by example.

At our best, Americans have always lived in a creative tension between idealism and realism, between our clear-eyed insistence on seeing the world as it actually is and our deeply held desire to remake the world as it ought to be.

This administration has abandoned that tension for a simplistic division of the world into good and evil. They've refused to talk to anyone on the evil side and some have called that idealistic. I call it dangerously unrealistic.

At the end of the day, you have to question whether this administration has led with our values or used our values as a cloak to justify its ideology and unilateralism.

Something is wrong when our pursuit of idealistic goals has turned a good portion of the world against us.

CLINTON: Earlier this year, a progressive and conservative, Anatol Lieven and John Hulsman, wrote a book together called "Ethical Realism." You don't have to accept all of their policy proposals to learn something from the common ground they found.

They remind us of a time when America's leading Protestant theologian, Reinhold Niebuhr, cautioned us against believing that God was on our side; of a time when President Dwight David Eisenhower rejected rhetoric about a preemptive attack on the Soviet Union by asking, among other things, the practical question of how we would occupy the vast country if we won; of a time when the editor of Foreign Affairs invited a little-known diplomat named George Kennan to publish an article, an anonymous article, that established the bipartisan foundation of our Cold War foreign policy.

In every era, we wrestle with how to reconcile the pragmatic with the moral elements of our strength and what we choose to do with both.

We got it right, mostly, during the Cold War, when realists and idealists, together, built the institutions and policies serving our interests and our values.

We got it drastically wrong when a small group of ideologues decided we didn't need those institutions or alliances or diplomacy or even the respect of other nations.

These principles would force a sea change from the current administration's policies. If you look at the dangerous situations we face today in Iraq, Afghanistan, Iran, North Korea, the proliferation of deadly weap-ons, the prosecution of the war on terror, you will see the same mistakes repeated over and over.

The mistaken belief that alliances, international institutions, all of that irrelevant to American interests; the mistaken belief that diplomacy, even if backed by force, is synonymous with weakness; the mistaken belief that our military's experience in war planning, our intelligence community's objective analysis and our diplo-mats' experience in negotiations could be dismissed and replaced with ideological wishful thinking; and in Iraq, the mistake of waging a preemptive war based on faulty intelligence, fanciful scenarios and bluster has turned out to be a one-time-only doctrine, with no deterrent effect.

CLINTON: We need to return to patient diplomacy, backed by military strength and informed by American values.

Let me start with Iraq, because in human terms this has been a horrible month. We mourn the loss of more than 100 American servicemembers and many hundreds more Iraqis.

In political terms, we have finally reached the point of complete absurdity. The administration announces it will propose timetables or benchmarks and the Iraqi prime minister denounces them. President Bush says we are adjusting tactics, but Secretary Rumsfeld insists we are staying the course. The administration tells Iran and Syria they're responsible for helping to keep the peace, but won't talk with them about how to do it.

We continue to deny evident reality, proceeding with few -- or no -- allies and precious little direct communication with people who matter.

No wonder the American people think we are adrift.

We need a fundamental change in course, and I believe there are three basic parts to that.

First, we need to press consistently, privately and publicly the Iraqis to become serious about achieving an internal reconciliation and political solution and present real consequences for their failing to do so.

CLINTON: Only the Iraqi government can take action to create the condition for a political settlement. Instead, the government in recent days seems to be going out of its way to rebuff our efforts to move in that direction.

American credibility is held hostage by an Iraqi government that will not fulfill its pledge to seek a political resolution of the rights and roles of the Sunni minority and to determine how oil revenue is allocated.

For several years -- actually since the summer of 2003 -- I have pushed the idea that we should establish in Iraq an oil trust, guaranteeing that every individual Iraqi would share part of the country's oil wealth every year. Instead, the oil distribution remains unsettled.

Sunnis have no incentive to stop fighting, Kurds have no incentive to operate within Iraq, and Shiites have no incentive to stop participating in militias and internecine conflict.

Guaranteeing every Iraqi a share of the oil revenues at the individual level is one way to try to begin to move beyond the impasse and to give Iraqis some reason to believe, number one, we aren't there for oil; we aren't there to support big oil; we aren't there to line the pockets of the new Iraqi elite and fatten their Swiss bank accounts; and to give the Iraqis, also, some reason to feel positive about their national government.

CLINTON: Second, we do need what many of us have been calling for now for months, even years at this point: a public international conference of the parties in the region -- the Turks, the Saudis, Egyptians, the Emirates, the Jordanians, but also the Syrians and Iranians. We need to put everybody on the record as to whether they will make public commitments to respect Iraq's sovereignty and to further the task of Iraq's stability.

Instead of fearing to negotiate, we should fear what happens if we never attempt to negotiate a regional commitment to a stable, unified Iraq.

And also Iraq's neighbors should fear that as well. They would bear the brunt of an all-out civil war, including millions of fleeing refugees and new bases for regional terrorist operations.

And thirdly, we do need to begin -- I had hoped by the end of this year -- a phased redeployment. I joined with Senators Levin and Reed and the Democratic leadership in the Senate and the House in proposing a phased redeployment of U.S. troops from Iraq during this year, 2006. That would also include a change in the mission of U.S. forces to one of training and supporting Iraqi troops and targeting counterterrorism (sic) as well as protecting American operations and personnel and facilities.

Richard Holbrooke in his recent article is right; we really have three choices: We muddle along, not necessarily going forward, but, as my chairman on the Armed Services Committee, John Warner, has said, moving sideways; we begin some kind of sensible, prudent de-escalation; or we escalate.

CLINTON: And we can't do any of those in the absence of either the full-hearted attempt on the part of the reconciliation front, the oil allocation front and the regional parties being involved.

But however we proceed, it is time to insist that the Iraqis take the lead and demonstrate to the Iraqi people, first and foremost, that the United States will not be in Iraq permanently; that American troops will not be put in the crossfire of a civil war.

Phased redeployment will get the attention of the Iraqi leadership.

In my meetings with members of that leadership, there has been a mixed message at best. "We are a sovereign nation," they tell me. "We make decisions now. And by the way, we're not ready for you to leave."

It is time for us to force the Iraqi government to face up to that contradiction and to begin to do more to resolve their own political situation and make it clear that American forces will not be there to prop up their denial and refusal to deal with the problems at hand.

Now, we talk a great deal, as we must, about Iraq, and not enough about Afghanistan, where our failures have squandered much of what our military accomplished and limited the reach and positive impact of President Karzai's moderate democratic government.

Three years ago, when I was here, I told the council about meeting an American soldier in Afghanistan who greeted me with these words: "Welcome to the forgotten front line in the war on terror."

Well, today, we have senior NATO military officials predicting that the country could fall back to the Taliban in six months. The use of suicide bombings and other terror tactics is on the rise. Afghanistan is now responsible for 87 percent of the world's opium production.

And a quote making the rounds in Kabul sums the situation up nicely. The Taliban commander supposedly boasted to his captors that, "You have watches, but we have time."

CLINTON: To prove him wrong, we need to give our Afghan allies time, yet all we seem to do is check our watches. Convinced, first, that we had all the answers, and then that we could subcontract out counterinsurgency to our allies, we seem to have gone on autopilot.

Inattention and false optimism are not only endangering all that we accomplished there, they are costing lives.

It is a great and brave thing that our allies from Canada, Britain, the Netherlands and other NATO countries have done by sending troops to Afghanistan. But Afghanistan and NATO need us as a leading partner to help with security, to root out corruption, to find alternatives to opium, and to improve the security situation with Pakistan.

We know the general area where the leaders of the Taliban and probably the leaders of Al Qaida are. It's a failure of our policies on all fronts that five years later they are sending waves of fighters into Afghanistan from their safe haven.

The stakes are unbearably high for Afghanistan, for Pakistan, for the country's northern neighbors in central Asia, for the reach of Al Qaida and for our own credibility and leadership.

We should begin by responding to our NATO commander's call for more troops in Afghanistan where on a per capita basis we have spent 25 times less than we spent in Bosnia and deployed 1/50 as many troops.

In Iran as well, this administration outsourced its policy to the British, the French and the Germans. Mean-while, the Iranian so-called moderates we ignored were pushed out of power and the extremists went merrily forward. Now we are left hoping that those same moderates we wouldn't talk to can regain control.

Hope is not a policy. U.S. policy must be unequivocal. Iran must not build or acquire nuclear weapons.

Iran's president has made a series of incendiary, outrageous comments, questioning the Holocaust, calling for Israel to be wiped off the map.

We know that a nuclear Iran poses a direct threat to its neighbors in the region, with Israel as its chief target. It also poses a significant threat to the United States, by combining access to nuclear materials and technology with support for terrorists whose aim is to attack and kill Americans.

We have to keep all options on the table, including being ready to talk directly to Iranians should the right opportunity present itself.

CLINTON: Direct talks, if they do nothing else, let you assess who's making decision, what their stated and unstated goals might be.

And willingness to talk sends two very important messages: first, to the Iranian people, that our quarrel is with their leaders, not with them; and second, to the international community, that we are pursuing every available peaceful avenue to prevent Iran from becoming a nuclear power.

We also need to be willing to use the tools available to us in working with the Israelis and the Palestinians.

In part because the administration chose to disengage at crucial moments, we are now at a very discourag-ing place. There is no reliable partner on the Palestinian side, and still no willingness to take a clear stand of acceptance toward Israel.

In the aftermath of the Palestinian elections that gave rise to Hamas, we need to continue to insist that any Palestinian government recognize Israel's right to exist and cease terrorism.

However, there are reports from the region of discussions between the Israeli government and President Abbas, and of the possible dissolution of the Hamas government.

As events unfold, we need to be prepared, in close coordination with our Israeli ally, to resume America's indispensable role in finding a just and lasting resolution.

In North Korea, we got some potentially good news this morning.

This administration has adopted a narrow and, you know, sort of, self-reinforcing world view that doesn't look at the facts and that rules out some of our best tools for defusing threats before they threaten us.

CLINTON: We have six years of policy with no carrots, no sticks and only bad results. And we basically left negotiations to the Chinese and left Kim Jong Il home alone with no inspectors watching his plutonium.

Now we have fewer options and a much more difficult task.

We have U.N. sanctions, though they're not as tough as I would want. We need to enforce them.

We have the six-party talks and apparently, based on what we heard this morning, after intensive discussions that included direct talks between Ambassador Chris Hill and the North Koreans, we are going to re-vive the six-party process.

We can't take anything off the table. We've had troops in South Korea for 50 years for a reason.

But I have fought for a long time we made a mistake not talking directly to North Korea.

North Korea's neighbors have long supported direct U.S.-North Korean talks on security matters. In the past, such engagement has prevented the development of plutonium bombs and the testing of long-range missiles.

Kim Jong Il needs to hear a single, unified message: Choose between nuclear weapons and aid from South Korea, China and the international community; you can not have both.

Right now, we seem to be relying, too much for my taste, on China's good will to restrain North Korea.

At the end of the day, Pyongyang will have to hear this message directly from us.

CLINTON: The common strand that draws these crises together is the threat that sophisticated terrorists, operating out of Afghanistan or Iraq or somewhere else, will be able to acquire nuclear weapons or materials.

For 40 years, the U.S. provided bipartisan leadership in building a network of treaties and expectations that kept global nuclear ambitions in check.

Countries like Brazil and Argentina and South Africa and Kazakhstan and Ukraine and Belarus elected not to develop nuclear weapons or even gave up weapons they had, giving terrorists fewer opportunities as a result.

Today we face intense extremist efforts to buy or steal either a bomb or the material to make one. And it doesn't have to be very big.

We also are seeing increased interest in peaceful uses of nuclear power on the part of many legitimate states. In response, we need to modernize the nonproliferation treaties and related agreements.

Last year we had the chance to start talking about what a stronger regime would look like at the Non-Proliferation Treaty review conference.

But while other countries sent foreign ministers or senior ambassadors, the administration sent a mid-level official a clear signal it just wasn't interested.

Our influence is already been eroded by our abandonment of the comprehensive test ban treaty and the administration's interest in developing two new small nuclear weapons, including the robust nuclear earth penetrator, the so-called "bunker buster."

The wholesale abandonment of nonproliferation efforts is a serious mistake. The more countries that have fissile material, the more opportunities for it to go astray.

American experts, like those working at the council, have made innovative proposals for a 21st-century NPT. When the Senate resumes, I'll be asking my colleagues who chair the Armed Services and Foreign Relations Committees to hold joint hearings on the future of a nonproliferation policy with the aim of creating a new blueprint for our shared security.

CLINTON: And we have to increase our efforts on preventing terrorist groups from obtaining nuclear weapons or materials. You know, Sam Nunn and Ted Turner with the Nuclear Threat Initiative have said over and over again we aren't doing enough to get every last bit of weapons grade material under safeguard.

I will be introducing a bill based on their ideas which would create a senior White House adviser for counter-ing nuclear terrorism, require a yearly report that would specify every site with nuclear material or weapons.

And we would do what we have to do, working in concert with other nations, to try to make that material as safe as it can be.

Here in New York, we don't need anyone to tell us we're in a war against terrorists who seek to do us harm. Strategically, it is also true that the world is watching us. We are unlikely to make headway facing the challenges that I've discussed, and many others, if we are seen as losing ground to the terrorists.

On September 12th, 2001, when the Bush administration could count on the good will of the entire world, they had strong support from both parties and the determination of the American people to sacrifice for a common cause. That call to sacrifice never came.

Five years later, the administration has failed to transform our national security institutions. The people who promised less government have instead given us the largest and least competent government we've ever had.

As a result, our front-line fighters in the war against terrorists often lack the tools they need. The administration has ordered our military to fulfill missions for which it is not sized, equipped or funded.

I joined with other Democrats and Republicans in proposing that we expand the Army by 80,000 troops; that we move faster to expand the special forces and do a better job of training and equipping the National Guard and Reserves.

CLINTON: The administration has failed embarrassingly when it comes to homeland security. Last week, the council's own Stephen Flynn awarded them three Ds or Fs and four Cs out of nine grades on homeland security. That's not good enough.

The administration has failed to create a culture of prevention within the FBI. Last December, the 9/11 Commission gave administration efforts at the FBI a C and said, unless there is improvement within a reasonable period of time, Congress will have to look at alternatives.

The FBI still has only 33 Arabic-speaking agents and none is assigned to counterterrorism.

The agency's top counterterrorism job has turned over six times in five years.

And we have yet to see the completion of reform in the intelligence community and the restoration of morale.

The 9/11 Commission package envisioned a director of national intelligence who actually directed the intelligence community. We don't have that. We're still living in a need-to-know culture instead of a need-to-share one.

The administration's supposed new standards on interrogation and torture have left our CIA personnel, and even our military unsure of what is legal to do, what they're authorized to do, what their country wants them to do.

During the Cuban missile crisis, President Kennedy had at his side Llewelyn Thompson, former ambassador to Moscow, who understood the Soviets and had even lived with Premier Khrushchev. We don't have that expertise any longer inside our government when it comes to the threats we face from Islamic extremism.

When we need to look beyond our intelligence community, as we did during the Cold War, we challenged a generation of universities and students to serve their country. We should do the same today. Learn the languages that we need. Understand the cultures of the societies where our biggest threats are incubating.

Our military commanders make a point of telling us we cannot win the war against terrorism through military means alone. As the new Army and Marine manual on counterinsurgency puts it: The best weapons for counterinsurgency do not shoot.

CLINTON: Pete said when he introduced me that I work as a member of the U.S. Joint Forces Command Transformation Advisory Group.

One of the common themes of our work there is that we don't have enough civilian capacity to manage pre- and post-crisis situations.

The world has changed, but our civilian institutions and preparation for public service have not kept up.

I recently introduced legislation, along with Senator Specter, to create a public service academy, a West Point for public service, that would send a message about the importance of civilian preparedness and re-sponse at home and abroad. It could become a place where we teach critical languages and put a high priority on learning about those cultures we so poorly understand today.

You know, finally, it comes down to whether we can win the war on terror, not just the battle. And that re-quires we face squarely our long-term challenge of putting the U.S. on the side of dignity and progress and making it clear that we do oppose tyranny and violations of human rights.

And in that fight, our only realistic weapons are our values and ideals.

We need to start by addressing the troubled conditions terrorists seek out.

I have focused on support for global education because I think it provides an alternative in places where the only schools are also incubators of religiously-fueled extremism. And it returns immediate health and social gains and reinforces our basic value of equality.

I introduced legislation for our country to take the lead in education for all, to aim at giving every child in the world access at least to primary education by 2015.

We've done a good job talking about democracy but we sure haven't done a comparable good job in pro-moting the long-term efforts that actually build institutions after the elections are over and the international monitors have gone home.

CLINTON: We have to give citizens more tools and we should be talking more about the successes of this administration, the relief efforts after the tsunami and the earthquake in Pakistan, the global AIDS program, the Millennium Challenge grants.

They're seldom emphasized and they often seem to run counter to the basic ideological argument the ad-ministration is making.

This month I was one of 34 members of the Senate to vote against President Bush's military commissions act. On the floor of the Senate, I recounted a choice that General George Washington made 230 years ago.

New York City and Long Island had been captured. Washington and the Continental Army had retreated across New Jersey to Pennsylvania, suffering tremendous casualties.

Here in New York, American prisoners, often held in the hulls of boats anchored in the harbor off of Brooklyn, were suffering unspeakably at the hands of the British.

The cause of American independence was in doubt.

Then Washington won the Battle of Trenton, capturing nearly 1,000 prisoners of war, and he had to decide what to do with them.

The order he gave should still speak to us: "Treat them with humanity and let them have no reason to complain of our copying the brutal example of the British army in their treatment of our unfortunate brethren."

America was born out of faith in certain basic principles and out of an understanding that it matters deeply -- in fact, it matters for our survival, that we hew to those principles at home and in the eyes of the world.

There can be no mercy for those who perpetrated 9/11 and other crimes against humanity, but we have to pursue justice in a way that lifts up our values, the rule of law and sets an example we can point to with pride, not shame.

That is an utterly realistic brand of idealism that has been with us since our beginnings.

The administration's experiment has failed. We cannot go backwards, we must go forward, building that new consensus and risking a new bipartisanship.

I cannot speak, of course, for the administration. But I know that my Democratic colleagues are ready to do so.

Thank you very much.

(APPLAUSE)

MODERATOR: Hillary, thank you very much.

You know, just before we came in, you and I began a conversation. You said maybe we ought to continue it a bit. And taking the prerogative of the (inaudible), let me reinitiate it with you, because I'd be very much interested in your reactions.

I've been around a long, long time, and I don't think I've ever seen a time in this country where there are so many long-term challenges defined by two or three criteria: number one, virtually all the experts from both parties agree on the magnitude and the existence of the problem; second, that all or most of them agree they're unsustainable; and yet, in spite of that, we do nothing about them. We seem dysfunctionally paralyzed.

I give you the entitlement problem, with its massive burdens on our kids in taxes and debts. I give you our current account deficit, which, if we continue at these levels, we end up looking a bit like a Third World country, with huge debt service.

I refer you to our health care problem, which, it seems to me, threatens to devour our resources and not have other resources we desperately need for research and development; our energy gluttony, that puts us in a position of both financing and making us even more vulnerable to some of our worst enemies and the related first-cousin, the environment.

So my question to you would be the following: Do you share my concern about our lack of response to these kinds of problems? And if so, what do we do about them? Is there some new approach or, B, is there a crisis that will be required?

And I know this is not directly related to foreign policy, but in a sense it very much is.

CLINTON: It is very much related to foreign policy because, in the absence of a strong American economy that is able to deal with the challenges that Pete have just mentioned, from health care to energy, we under-mine our leadership around the world; we are ceding our fiscal sovereignty as we speak because of our in-debtedness, our rather remarkable transformation to the world's biggest debtor nation.

So it is intimately related. And I share your concerns.

And to me it comes down to leadership.

Obviously, I think we do better when we have a bipartisan consensus, not only in foreign policy but in addressing some of these other issues.

And it requires, though, not only public sector leadership, but I would add it requires private sector leadership as well.

We need an American commitment, across the political spectrum but also from those who create the wealth, those who create the jobs, those who are globally knowledgeable about what we confront, to be part of speaking out for that kind of leadership and those solutions.

You know, I'm always amazed when I go back and look at what Truman and Marshall did after World War II to create the extraordinary commitment to rebuilding Japan and Germany, to investing in other people's freedoms in other parts of the world and the fight against communism at the beginning stages of the Cold War.

You know, can you imagine an American president today going and saying, "We've been taxing you at confiscatory rates for years now to fund this world war, we've sent you off to fight and die, we've seen the worst that humanity can do, and we're going to keep taxing you at confiscatory rates because we've got to go rebuild the enemies that we have just defeated"?

CLINTON: It would last, like, a nanosecond on talk radio.

(LAUGHTER)

And one of the reasons that it eventually succeeded is because Truman enlisted the business community to make the case. It was an idealistic and a realistic approach.

Realistically, we needed to try to have new markets and have a different outcome after the Second World War than we did after the first, and Germany in particular. But it was idealistic as well, that we could over time, with patience, develop democracy.

I feel that we're at a comparable period now. And I have, as you have heard and as you might guess, many specific critiques of the president's policies on both domestic and foreign issues.

But my biggest regret is that after 9/11, when the country was truly ready to follow wherever he led, he didn't tackle these problems. If the president had come to the Republican-dominated Congress after 9/11 and said, "We need an energy policy that puts us on a fast track toward at least less dependence," if not independence, which is quite a difficult goal, he would have gotten it.

If the president had come and said, "We've got to figure out how we're going to deal with this deficit, so I don't know what the future holds; we're going to have so many costs related to the war on terror; we need to take a deep breath here; no more tax cuts until we figure out where we are financially," this Congress would have done it. And he could have been re-elected in his second term with a very big majority.

Now, it would have required him turning away from some of the more radical ideological elements of his base, but he could have had a broad majority support across the country, and that hasn't happened.

And now we're going to have to figure out how to create it in, yes, a polarized, divided electorate. We're going to need leadership at all levels of government and, as I say, in the private and not-for-profit sector.

MODERATOR: Thank you.

Let's start here.

QUESTION: Senator, even though you spoke about the issues of North Korea, Iran, the Middle East, but with all these big issues we tend to forget our neighbors to the south. And I wanted to ask you questions on one specific one, which is Mexico, which is obviously very important to us.

And what are your views with this new government in Mexico, your views on the government, our relations with Mexico, the issue of the border, on the fence, and also the issue of the 12 million undocumented workers that we have here in the U.S.?

CLINTON: Thank you very much.

You're right, we have given short shrift to Latin America, and we are paying for it. And today I didn't talk about it, or didn't talk at length about China or Russia or what's happening in Africa, which I've very concerned about, with the collapse of a lot of these regimes and Islamists moving into the vacuum. There's a lot that we have on our plate that doesn't get into the headlines.

But specifically with Latin America -- and you know so well, having served as an ambassador in Chile -- that we have not been able to maintain the relationships that were nurtured during the '90s to support democracy, to support market economies. And people have been voting in a very clear message that they weren't benefiting from these policies and we were not really there trying to help them work better.

Mexico is such an important problem on our doorstep. I hope that the new government will have a concerted commitment to a jobs program to employ Mexicans. I mean, honestly, I wish they would go back and dust off the WPA. There is so much work to be done in Mexico, there is so much infrastructure. And it's a classic case of a very small, relatively small

number of people reaping the benefits of the natural resources and the economic prosperity that doesn't trickle down.

And it is so unfortunate because Mexico right now is poised to have a tremendous forward movement with its economy and with its political and social structure.

I don't know what the new president will do. Obviously, the person running against him, Lopez Obrador, had a very different approach and was very outspoken and even quite confrontational about what should be done. It would be great politics and it would have lasting impact if this new so-called more conservative government would actually deal with the conditions on the ground in Mexico.

CLINTON: I heard just recently, in talking about the problems we have on our border, that hundreds of thousands of guest workers from Central America are brought into Mexico every year because they will work for less than the poor Mexicans will work for.

And, in effect, the Mexican government's policies are pushing migration north across our border.

And there can be no long-term resolution unless economic growth increases in Mexico and unless there is some commitment to its equitable distribution.

Very briefly, on immigration, I hope that we get back to comprehensive immigration reform.

We've had an unfortunate political season where the issue has been used as a political football.

There isn't any sensible approach except to do what we need to do, simultaneously: Secure our borders with technology, personnel, physical barriers if necessary in some places; and we need to have tougher employer sanctions; and we need to try to incentivize Mexico to do more; and we need to create the environment in which we get people out of the shadows and then give them some earned right to legalization that will enable them to continue to work.

If they've committed transgressions of whatever kind, they should be obviously deported.

But that won't stop it unless Mexico and their neighbors to the south actually let these hard-working people have a future in their own countries.

These are people who are willing to work but, for them, there is no future in where they came from.

And that is a problem that the governments of their country and we should be trying to address.

QUESTION: Senator, that was a brilliant speech.

CLINTON: I always call on my friends.

(LAUGHTER)

QUESTION: Where do you think we ought to go in respect of Cuba?

CLINTON: Well, I think we're in a waiting game. And I don't think there's anything that's going to change until we know what happens to Fidel. There's not going to be any changes on their side and there are not going to be changes on our side.

This is a very intractable political problem here in our country. I hope there will be some opening to try to figure out a more effective approach, to exercise more real influence by us into a post- Castro, but I think we're just in a holding pattern right now.

QUESTION: Sudan's President Bashir has rejected the Security Council's suggestion for a peacekeeping operation.

What do you think the right balance is between the responsibility to protect and the rights of sovereign states?

Under what circumstances would you support a humanitarian corridor and a non-consensual deployment to create safe havens?

CLINTON: Well, you know, I know how much you and the foundation have really been involved in this terrible issue. And I commend you for it. I don't know if Nick Kristof is here, but he had a terrific column about a couple of days ago, outlining a very detailed plan of action that I hope somebody in the State Department is reading.

CLINTON: I would support having a continuing presence with a high-level envoy that actually get back to the peace talks that fell apart with the rebel groups.

It was kind of like done on the fly. We weren't really that committed to it, from my observation. We made an agreement with a minor party and then we basically left and declared victory.

We're getting to be very good at declaring victory. That seems to be our PR strategy on nearly everything we deal with these days.

(LAUGHTER)

And we've got to get serious again about that. We've got to force the Sudanese, the government from Khartoum, to get back to the table.

I think we need to beef up peacekeeping forces, whether they're from the African Union or elsewhere in Chad, because this is spilling over into Chad. And I think we should consider some kind of humanitarian corridor.

Now, you know as well as anyone in this room -- and that's why I mentioned Russia and China pursuing their own interests; often at odds with global imperatives like nonproliferation and genocide in Darfur because the Chinese and the Russians are particularly allergic to any kind of internal intervention.

And that's why we need a different approach.

The work that Kofi Annan commissioned with the reform proposals that came out of the high-level group that was appointed -- there were some very good ideas in there that would be particularly applicable to this situation; most particularly, the responsibility to protect.

CLINTON: So I am open to taking much more vigorous action. But we are in a bind. And it gets back to Pete's point.

And I say this all the time as I travel around upstate because I think it's important for people to recognize, you know, because we're now the world's largest debtor nation, we have to hope, every morning, central bankers in Beijing and Tokyo and Seoul and Riyadh and everybody wake up and continue to buy our debt instruments. When it comes to trying to enforce trade agreements, to put the issue of currency manipulation on the table, or to deal with Darfur, we are now at a disadvantage.

You know, how do you get tough on your banker?

How do you try to create the leverage that is needed?

So it's not just in the direct areas that you can point to that we're not succeeding. It's in the atmosphere that has been created by the policy choices that have been made by the Congress and the president over the last six years that have given us a weakened hand. And I think that's very clear, in dealing with Darfur.

QUESTION: Currency at the U.N.: We have many, many resolutions and frustration by the international community, invoking Chapter 6, Chapter 7 sanctions, and there's just no response.

At the rate we are going, the strength of the U.N. is certainly going to be undermined, if it's not by now.

What is your vision for the United Nations and our relationship to the U.N.?

CLINTON: Well, you know, I'm glad you asked that because I alluded -- obviously, I didn't have time to go into any detail -- about what I see as a need for a process to begin where we try, seriously, to assess the international institutions that we have; obviously, the U.N. being foremost, but you can look at IMF, World Bank.

There's a group of them, most of which came into being after World War II in response to the Cold War and horrors of the war. And I believe very strongly that we need more multilateral and regional alliances; NATO being the clearest example of what's worked.

CLINTON: But it's taken a lot of tending and care. You don't just set these things up and expect them to do America's bidding. You've got to be involved, you have to be constantly trying to reform and revitalize them.

We don't have many tools in our current tool box to deal with rogue regimes, to try to bring pressure on an Iran or a North Korea.

And the United Nations, for all of its, you know, problems -- which are legion -- is basically captive to the Security Council when it comes to the really serious issues that we confront.

And if we don't have a better atmosphere in which to deal particularly with China and Russia on some of these intractable problems, you know, we could have the U.N. or not have the U.N., we're not going to make a difference.

And so I would like to see us, you know, take some of the steps that were recommended to try to reform and revitalize the United Nations. But I have no illusions that that will automatically answer everything that ails us.

I think we need to try to create a new level of responsible leadership among nations that are now assuming greater roles in the world like China, like Russia, like India. You know, they need to be part of us creating a new set of rules to guide us by.

And we're not there yet. And so I think that I support the United Nations because we have no alternative. When people criticize it or condemn it and then they turn around and ask that we get sanctions against somebody, it just shows you the contradiction, because we haven't yet grasped the reality that we need to rethink this, we need to have a greater level of commitment from some of the leading nations in order to deal with these problems.

And we don't have that right now. So the U.N. is basically what we've got. And I don't like seeing it de-meaned and denigrated, when we have to turn around and rely on it. I'd rather see us begin to try to put into place a process that could perhaps create some either different configurations or even new institutions, which I think are badly needed.

MODERATOR: We're a couple of minutes late, but there's been a young lady in the third row here that's been waiting a long time.

QUESTION: Thanks for the "young," Pete.

(LAUGHTER)

Senator, you're rarely in a room, probably, where as many people will go to the polls next week. My question is, I'm sure the comptroller of the state of New York has something to do with foreign policy. And since Pete said something that wasn't so foreign policy- ish...

(LAUGHTER)

... my question is: What would you advise, as a person who is on the ticket, we do when clearly the Republi-can is incompetent and everyone else has asked for the resignation of the Democrat?

(LAUGHTER)

CLINTON: Can we get back to talking about nuclear proliferation?

(LAUGHTER)

(APPLAUSE)

We are at a very difficult juncture because even if he were to resign tomorrow, there's no way to place a substitute on the ballot.

I do believe, with you, that the alternative is totally unqualified to manage the huge responsibilities of the pension fund and the investments that are within the jurisdiction of the comptroller.

There seems to be a commitment on the part of the soon-to-be new governor and legislative leadership that they will commence a process after the election -- you know, they couldn't get it done before the election, for obvious reasons -- but, after the election, to determine whether, if he succeeds in the elections, which I personally hope, because I think it's better than the alternative, whether he will at that point resign, whether he will be subjected to a process in the legislature, and if he's removed or if he resigns, then the new governor gets to appoint a qualified comptroller.

So look, this is not a pleasant situation for a lot of us who are friends of his. And I personally believe he did a lot of good things as comptroller. But he did something that was wrong. And it was not only wrong, it was, according to the state ethics probe, illegal. And, you know, you have to be held accountable for that.

And so I think that the process is as I've just described. So I'm voting for him. Chuck Schumer's voting for him. We think it's the better of some very bad alternatives.

MODERATOR: Hillary, thank you so much. I hope we don't have to wait three more years.

(LAUGHTER)

CLINTON: Thank you all.

(APPLAUSE)

END

U.S. SENATOR HILLARY RODHAM CLINTON (D-NY) HOLDS A MEDIA AVAILABILITY, 11/8/2006

(JOINED IN PROGRESS)

CLINTON: You know, becoming the first woman speaker is like breaking not the glass ceiling but the marble ceiling. There is a great inspiration there for everyone. She's making history, and now we're going to make progress under her leadership. And I look forward to working with her.

QUESTION: Do you think, if the Senate takes the majority, that it would make it more likely that a female would lead the Senate as majority leader?

CLINTON: I don't know about that. I think that we've got great Senate leadership. I believe that they have certainly earned the confidence of our caucus members. And I look forward to working with them in the next two years.

QUESTION: Senator Clinton, what did you say about bringing more jobs to Western Europe? We just heard about the continental plan in (inaudible). It's going to be closing down in '09. We're losing over 300 jobs.

What can you say about 300 more jobs in this area?

CLINTON: You know, we need to re-invent the economy here. And we need to be looking for the jobs of the future. That's why I emphasized the biomedical area so strongly. I've worked on that very hard. Whether it's Memorial Hospital in Niagara, where I've worked to get them resources to create new services and bring new jobs there in the health care sector of here in Buffalo with the biomedical corridor and the bio-informatics center.

But we need this energy piece. This is a great opportunity for western New York.

You know, every 10 years or so, our economy has to be looking for the jobs that can't be moved somewhere else. We need those new, exciting, future-oriented jobs.

I believe we could create thousands of new jobs in New York if we were serious nationally about a new energy future. I am confident of that.

The president and the vice president have not seen it that way up until now. They basically had a policy where you just give Big Oil whatever you want.

That will not work. That's bad for the economy. That's bad for the environment. That's bad for our security.

Think of what we could do right here in western New York by growing crops that could be processed here for ethanol to be blended with gasoline that would put people to work in western New York and lower the cost of foreign oil and our addition on foreign oil. Think of what we could do, building on, you know, some of the new technologies, like I said the low-sulfur diesel engine that's being made at Cummings (ph) Engine in Jamestown. They're employing hundreds of people to do that. Or new fuel cell technology from hydrogen.

I get really excited about this because I think, from our border to Albany, we have all the ingredients and the assets to be the center of a new energy economy, right here in Upstate New York.

But it's not going to happen unless we get the right framework nationally. And that means we need a different energy policy.

The final thing I would say to that is I really believe it's one of the greatest things that can happen to western New York having Eliot Spitzer as our new governor, because he understands...

(APPLAUSE)

... that, you know, we've missed opportunities in the last 12 years.

You know, people as me all the time, why do I think that we haven't had the job growth here in western New York that you can see across the border in Ohio or in Pennsylvania or in New England? I mean, the climate's not any different really, you know? But the state governments in those states have been much smarter about how to incentivize new job growth.

And that's what I think Eliot Spitzer will do. So I'm thrilled to have a partner in Albany who I can really work with. He's going to put an office of the Empire State Development Corporation right here in Buffalo.

You know, I remember, when was it, two years ago? We all found out there was a chemical plant looking to possibly locate and create jobs in Niagara County and the Empire State Development Corporation didn't respond.

So we need to be on this, we need to be selling ourselves, we need to go around the world and let people know what we have here. I mean, I can go on and on.

I am a huge booster of western New York, because I think we have all the ingredients and I think now we're going to have the people in Albany that will really help us put it together.

QUESTION: If Mr. Webb wins in Virginia -- and he believes he has won...

CLINTON: Right.

QUESTION: ... that would mean the Democrats control both houses of Congress. What will this mean for America?

CLINTON: Well, it means that the Democrats have been given the chance to serve and lead our country. And I am very mindful that that imposes a heavy responsibility on us.

I want us to demonstrate the commitment to the issues that we have been talking about, produce results that people can see and feel and know are going to make their lives and their children's lives better. And I think you'll see that from the Democratic Party in both the House and the Senate.

We are going to stay focused like a laser beam on improving the economy, on shifting the weight of the government back to the side of the middle class and working families, you know? We're going to be looking at these areas of real opportunity like a new energy policy. We're going to raise the minimum wage, which hasn't been raised in 10 years for people,

(APPLAUSE)

I am very optimistic and very ready to take on my role in being part of a Democratic majority to produce those kinds of results for western New York and for our entire state and our country.

QUESTION: Senator Clinton, there's a lot of speculation on whether or not you're going to run for the presidency in '08.

CLINTON: Really?

(LAUGHTER)

QUESTION: Can you give the voters a realistic sense of whether or not they...

CLINTON: You know, I am today going around the state to say, "Thank you." That's what I'm doing, because I am so grateful. As Len (ph) said, look, people took a chance on me back in 2000. And I have done the best job I could every day to earn the trust of voters in our state.

And I'm just incredibly grateful and hopeful about having my contract renewed to be your senator. And I'm going to stay focused on that.

You know, as I said before the election, you know, people are talking to me about other ideas and alternatives all the time. But right now, today, I just want to say thank you. And that's why I came.

Thanks, everybody.

END

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON MILITARY OPERATIONS IN IRAQ AND AFGHANISTAN, 11/15/2006

CLINTON: Well, thank you very much.

I have to say to both of you that I respect the difficult task you have coming before this committee and attempting to explain the situation in Iraq, which, by any metric that I'm aware of, is not improving.

CLINTON: In fact, the testimony to follow you, which will be in the next panel, particularly by Lieutenant General Maples from the Defense Intelligence Agency, very clearly sets out that the DIA assesses the conditions for further deterioration, and in fact lists how the overall attacks have gone up.

They're up in October, up on our soldiers, up on the Iraqi security forces, up on civilians. That the kind of benchmarks which Senator Nelson and Senator Chambliss and others of us have requested in the past just seemed to recede further and further on the horizon.

Hope is not a strategy. Hortatory talk about what the Iraqi government must do is getting old. I mean, I have heard over and over again: The government must do this, the Iraqi army must do that. Nobody disagrees with that. The brutal fact is, it is not happening.

And with respect to the kind of insurgency that we clearly are confronting, which in many ways is perhaps the most complicated that I'm certainly aware of as you go back and look at other counterinsurgencies, we don't have a military force that is creating a secure environment and we do not have a government that is putting forth political programs and reforms that engender confidence in the population to support the government rather than seeking security behind militias and other nongovernmental forces.

So from the perspective of those of us sitting on the other side of the table and on both sides of the aisle, what I've heard today is that, from General Abizaid, that all options are on the table but the Maliki government does not want more troops.

CLINTON: What I've also heard is that withdrawal by our troops would create even more disruption and sectarian violence but that a phased withdrawal, putting conditions that can be enforced by actions taken by the American government, which apparently are the only actions we have any control over, would not be a good idea.

So we're really left with very few strategic options and the continuation of hope on behalf of the Maliki government to take control of a situation that is deteriorating.

General Abizaid, one of the ideas that has been proposed by a number of different sources is some kind of partition.

Now, I understand the complexity of that, the difficulty of that. But is there any strategic argument to be made in favor of a partition that would at least give us territory that, along with the Kurds, for example, could be controlled?

That's the first question.

And, Ambassador Satterfield, the political decisions that have to be made keep being kicked down the road by the Maliki government. We've had testimony, now, for four years about what must be done. And it doesn't get done.

I see very little indication that there has been a resolution within the Iraqi government that they want the sectarian violence to cease because people are still jockeying for positions.

In such a conflict, it is unlikely to get to any political resolution until one or all sides decide that the killing should stop, that they're not going to get a greater advantage from pursuing violence than by pursuing political progress.

CLINTON: So with respect to partition, with respect to the political benchmarks, can you offer us more than the hope that the Iraqi government and the Iraqi army will step up to the task that confronts them; and give us, perhaps, more strategic benchmarks or conditions that we can look to, and set forth those conditions so that we can judge whether there's progress being made going forward?

SATTERFIELD: Senator, with respect to partition, I'd like to be very clear on this.

Partition in Iraq could only be achieved at an expense of human suffering and bloodshed and forced dislocation that would be both profound and wholly unacceptable, I believe, to the American people.

It is wholly unacceptable to this administration.

The mixed communities of Iraq are found throughout the country. There is no easy map that can be drawn, no easy political decision that can be taken, that would not involve death and suffering to achieve partition.

But more importantly than my views is that very, very few in Iraq wish to see partition as an outcome.

Even the Kurdish leadership, who enjoy a federal status within Iraq, don't want to see partition. They view that as a threat to their interests because of the instability that it would produce on their borders.

This is simply not an option. It is not a practical option; it's not a moral option.

With respect to your comments, which I respect, on the need for some greater degree of certainty, not hope -- and I agree with you, hope is not a strategy.

On moving the political process forward, we still believe Prime Minister Maliki is and is capable of being effectively a national leader. We still believe there is a sufficient degree of minimal convergence on the critical issues of ending sectarian fighting, confronting militias, dealing with Al Qaeda, to make our continued best assistance, best help, warranted.

SATTERFIELD: If that changes, then, of course, our basic assessment changes with it, but it continues to be our fundamental assumption.

CLINTON: General?

ABIZAID: Senator Clinton, I believe that partition is not viable for Iraq. I can't imagine in particular how a Sunni state could survive. I believe it would devolve into an area where Al Qaida would have safe haven, where they would export their terror to the surrounding countries. I believe that the Shia state would be decidedly subject to the domination of Iraq -- of Iran -- excuse me -- and that that would not be good for the region. It would start to move the region into Sunni-Shia tensions that the region hasn't seen for a long time.

With regard to hope not being a method, Senator, I agree with you, and I would also say that despair is not a method. And when I come to Washington I feel despair. When I'm in Iraq with my commanders, when I talk to our soldiers, when I talk to the Iraqi leadership, they are not despairing. They believe that they can move the country toward stability with our help. And I believe that.

This has been a very hard and difficult process, and over the length of time, we have learned some hard lessons. We haven't misled people. We have learned some hard lessons.

I believe that we can take the Iraqi armed forces, increase our level of commitment to them, continue to deliver the time type of security force that our current troop levels give us, and in the period of the next six months, clearly have a better understanding about the possibilities for success, but all of us that are involved in this thing believe we can be successful.

ABIZAID: It's not a matter of professional pride. It's a matter of seeing that the enemy can't win.

There will be some hard things on the horizon. We'll have to do something in Al Anbar Province. We'll have to commit forces to deal with the Jaish al-Mahdi. Each of those things will be battles in and of themselves that we can win if we set the right political and military conditions. And I sincerely believe we can do that.

CLINTON: Thank you.

NEWS CONFERENCE WITH SENATOR HILLARY RODHAM CLINTON (D-NY), 11/16/2006

NEWS CONFERENCE WITH SENATOR HILLARY RODHAM CLINTON (D-NY), SENATOR EDWARD KENNEDY (D-MA), AND SENATOR CHARLES SCHUMER (D-NY);

TOPIC: THE MINIMUM WAGE ALSO SPEAKING: LENNY JONES, CAM-PAIGN DIRECTOR, GIVE MISSOURIANS A RAISE; ALICIA RUSSELL, CHAIRWOMAN, ARIZONA ACORN POLITICAL ACTION COMMITTEE; REVEREND PAUL SHERRY, COORDINATOR, LET JUSTICE ROLL LIV-ING WAGE CAMPAIGN; JOHN SWEENEY, PRESIDENT, AFL-CIO;

LOCATION: 430 DIRKSEN SENATE OFFICE BUILDING, WASHINGTON, D.C.

SEN. CLINTON (?): Five dollars -- (laughs) --

SEN. SCHUMER: Five dollars and 15 cents an hour. (Laughter.)

SEN. CLINTON (?): That's even worse!

SEN. SCHUMER: But guess what? You can't pay them \$6.15 an hour either! (Applause.)

(Converses off mike with other senators.)

I'm involved in the issues. (Laughter.)

SEN. KENNEDY: Give Chuck a little -- (cheers, applause).

SEN. SCHUMER: The only fair wage -- it's not \$5.15, it's not \$6.15. We are going to bring this up to \$7.25. (Cheers, applause). And we want to make sure when costs go up, the wage goes up! (Applause.)

So, ladies and gentlemen, I am so glad to be here with our great, great leader on this issue, and so many others, a beacon for fairness and justice, who now will be in the majority and can help America do the right thing, Senator Ted Kennedy! (Cheers, applause.)

And I am so glad to be here with my colleague and friend and partner in New York who has also stood for so many years for fairness and justice, Senator Hillary Clinton! (Cheers, applause.)

SEN. CLINTON: Are we ready to let justice rule?

AUDIENCE MEMBERS: Yes! (Applause.)

SEN. CLINTON: Are we ready to take this great victory that we had and translate it into actions for the working people of this country by raising the minimum wage?

AUDIENCE MEMBERS: Yes! (Applause.)

SEN. CLINTON: Well, you're ready and we're ready, and we've seen justice rule across this country state after state when they had a chance to vote, voted to raise the minimum wage! City after city has said we can't let people who work hard every day taking care of our children, taking care of our parents, cleaning up after us, serving us our food, making the products we need live in poverty when they're working full time. This is a matter of justice. This is a matter of economics because when there's more money in your pocket, you spend more money in your community, and that's good for everybody! (Cheers,

applause.)

We are so excited that the people of America have spoken. They knew what we were running on. They were not in any way mistaken. I went all over this country, and I said we've been trying to raise the minimum wage for nearly 10 years, and every time we try there's some excuse why we can't do it.

AUDIENCE MEMBER: That's right.

SEN. CLINTON: And you know, after a while you make the argument that it's smart for the bottom line, it creates more economic activity. You make the argument that it's the moral imperative to treat people with dignity who do the work that keeps our economy and society going. But we introduced a piece of legislation, Senator Kennedy and I did, which said, &"Okay. If you're not going to raise the minimum wage because it's the right thing to do and the smart thing to do, then no more congressional pay raises until you raise the minimum wage!&" (Cheers, applause.)

You know, we may meet -- we may not be tanned and rested, but we're ready! (Laughter.) We are ready! We've been working toward this moment for years. You know, my colleagues -- Senator Kennedy and my partner, Senator Schumer -- we have been working toward this day, and it is now coming. We couldn't have gotten here without your help, without the help of so many of you in this room and millions more across the country.

I want to thank SEIU and ACORN, who have led the fight. (Cheers, applause.) I want to thank AFT, who's here in great numbers! (Cheers, applause.) I want to thank fair-minded people across our country, and I especially want to thank and introduce from the AFL-CIO a great champion of working people, a wonderful friend, John Sweeney. (Cheers, applause.)

DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS CONFERENCE ON THE MINIMUM WAGE, 11/16/2006

CLINTON: Hello, everybody.

(APPLAUSE)

Are we ready to let justice roll?

AUDIENCE: Yes!

CLINTON: Are we ready to take this great victory that we had and translate it into action for the working people of this country by raising the minimum wage?

AUDIENCE: Yes!

CLINTON: You're ready and we're ready. And we've seen justice roll across this country.

State after state, when they had a chance to vote, voted to raise the minimum wage. City after city has said, "We can't let people who work hard every day, taking care of our children, taking care of our parents, cleaning up after us, serving us our food, making the products we need, live in poverty when they're working full-time."

This is a matter of justice. This is a matter of economics, because when there's more money in your pockets, you spend more money in your community.

(APPLAUSE)

And that's good for everybody.

(APPLAUSE)

We are so excited that the people of America have spoken. They knew what we were running on. They were not in any way mistaken.

I went all over this country and I said, "We've been trying to raise the minimum wage for nearly 10 years. And every time we try, there's some excuse why we can't do it."

And you know, after a while, you make the argument that it's smart for the bottom line, it creates more economic activity. You make the argument that it's the moral imperative to treat people with dignity who do the work that keeps our economy and society going.

Well, we introduced a piece of legislation, Senator Kennedy and I did, which said, "OK, you're not going to raise the minimum wage because it's the right thing to do and the smart thing to do, then no more congressional pay raises until you raise the minimum wage."

(APPLAUSE)

So, you know, we may not be tanned and rested, but we're ready.

(LAUGHTER)

CLINTON: We are ready. We've been working toward this moment for years.

You know, my colleagues, Senator Kennedy and my partner Senator Schumer, we have been working toward this day, and it is now coming.

We couldn't have gotten here without your help, without the help of so many of you in this room and millions more across the country.

I want to thank SEIU and ACORN, who have led the fight.

(APPLAUSE)

I want to thank AFT, who's here in great numbers.

(APPLAUSE)

I want to thank fair-minded people across our country.

And I especially want to thank and introduce, from the AFL-CIO, a great champion of working people, a wonderful friend, John Sweeney.

(APPLAUSE)

U.S. SENATOR MICHAEL B. ENZI (R-WY) HOLDS A HEARING ON IMPROVING DRUG SAFETY, 11/16/2006

COMMITTEE: EDUCATION, LABOR AND PENSIONS COMMITTEE

SUBCOMMITTEE: SENATE HEALTH

CLINTON: Thank you very much, Mr. Chairman.

And it's wonderful to be here, and especially to see Sheila Burke. Welcome back to the Senate.

BURKE: Thank you.

CLINTON: I want to thank you for really embarking upon this important effort. And, you know, from my perspective, there couldn't be anything more critical that we turn our attention to. And I was able to get briefed on some of the questions and comments that were made before I arrived.

I want to ask the witness about something that I'm very concerned about, and we're talking about post-approval, but I believe strongly in comparative effectiveness studies. I was able to get that through an amendment into the Medicare Modernization Act.

And, you know, one of the first studies to be carried out under that provision was a systematic review of the Cox-2 drugs. And the results of the study, which were released in September, found no difference in the effectiveness of Cox-2 painkillers compared with over-the-counter pain-relieving drugs.

So I believe strongly that, as we're looking at how to modernize the FDA, how to provide it additional resources, additional statutory authority where appropriate, that we really look at these comparative effectiveness studies, because they complement the drug approval work of the FDA.

As we know, the agency's approval process focuses largely on ensuring that the drugs that come to market are safe for consumers; there's nothing more important than that, safe and efficacious. But newer drugs are not always better drugs, and they may not be the clinically appropriate choice for all patients with a given condition.

Comparative effectiveness studies allow us to determine the benefits of a range of treatments for certain conditions and to make sure that providers and patients are making treatment choices that, frankly, are not unduly influenced by direct-to-consumer advertising or other marketing efforts.

So I would like to see us use the so far quite promising results of the comparative effectiveness studies, through the Medicare Modernization Act amendment that I introduced and was approved. And I would like to ask our witness, you know, how she sees comparative effectiveness fitting into the, you know, pre-approval, post-approval almost spectrum of concerns that we should be constantly addressing as we move forward?

BURKE: Thank you, Senator. We, in fact, didn't as a committee look specifically at that question. Having said that, there is clear attention in our recommendations to the value in the FDA both partnering with the private sector as well as seeking partnerships with the VA, with Medicare, with other federal agencies that essentially have the ability to either sort out information, provide information, support studies either done with partnerships with either the industry or individually having the FDA seek out these kinds of studies, to inform them farther along in the process. Our particular attention to was that period largely just post-approval.

Having said that, we know that the lifecycle would produce lots of new information. The introduction of, you know, sort of new treatments, new opportunities will inform us about drugs on the market, as well as those coming on the market. And, again, we believe the agency ought to have the resources to be able to test those questions, either, again,

through partnerships in the private sector, or individually with the companies, or individually through the agency having the resources to conduct its own studies or call for those studies.

So, clearly, the lifecycle, the point of that is, in fact, to inform us throughout that period of time where new information could well become available.

CLINTON: Well, Mr. Chairman, I hope that, as we move forward, under your leadership and Chairman-to-be Kennedy's leadership, that that will be part of our consideration.

And I would underscore the point that has been made by a number of my colleagues, you know, that the FDA truly is the gold standard of drug-approval for the entire world, and we've got to get back to absolute scientific, impeccably independent judgment so that no one can second guess it.

You know, scientists may be wrong; we all know that. Research may not be complete or it may be in some way inadequate for the purposes for which it was intended, but we shouldn't be engaged in any political debates about whether other agendas, ideological or other agendas, are driving the decisions made at the FDA. And whatever we can do to guarantee the independence and the open scientific discourse that is needed as part of drug approval and review, I am certainly going to support strongly.

And I want to echo Senator Hatch's concern that we begin to look carefully at biologics, because this is an area of extraordinary complexity, and we just don't have, you know, the range of infrastructure, intellectual capital yet in the government to be a partner with the drug companies as they move forward.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

And I want to really thank and compliment this panel. I'm sorry that I had to step out and attend to some other business, but I'm very grateful to each of you.

Dr. Thomas, thank you for your last comments. I think that that's very helpful.

And, Ms. Thompson, you know, Elizabeth Glaser was a friend of mine, and I'm very pleased that you're here representing the foundation and that the foundation continues to play such an important role in public policy.

And, Dr. Nissen, thank you not only for your testimony, but for your courage. I appreciate you being on the end of the spear, as you say in your testimony, because we need you there, and you're stepping forward. And lending your expertise to this debate is absolutely essential.

And I also want to thank my friend, Greg Simon, for his continuing public service. And this FasterCures approach is one that I hope we can really see as a tremendous partner as we move forward in this.

And I particularly want to thank Jim Guest for being here. I'm proud that Consumers Union is based in Yonkers, New York. And I was delighted to go and visit their facilities and see all of the great work that is being done there. And, Jim, it's terrific that you're here.

And I want to also thank the families that you mentioned in your testimony for joining us today.

You know, as Jim noted, the problems of our drug safety system are not just abstract questions, studies and trials. Really, the failure to place concerns about safety above ideological or economic concerns has had an impact on the lives of Americans.

And as we continue to work on drug safety and broader FDA legislation next year, I think it will be important to give those impacted, such as the families you referenced, a voice in this debate, because we need to put a human face on it. We often get caught up in the statistics, and the dollars, and all of the complexity of legislative language, but this comes down to peoples' lives, to their well-being.

Jim, in your written testimony, you talk about the need for legislation that would establish a path for the approval of biogeneric drugs. You know, I think we have to look both at what we do with respect to biologicals from pharmaceutical as well as biogeneric. I mean, we're not doing a very good job on the former yet. We don't yet have a good partnership.

I visited a plant in my state that is, you know, one of the great leaders in biologics, in Syracuse, New York, Bristol-Myers Squibb, and, you know, they have concerns about where the expertise is going to come from inside the FDA to help them work on the biologics. And so we've got to simultaneously work on the biologics and the biogenics and try to understand what we have to do going forward.

I've introduced, along with Senator Schumer and Congressman Waxman, the Access to Life-Saving Medicine Act, a bill that would improve the FDA's ability to quickly bring comparable biogeneric products to the market, but I just want to say that word of caution: I don't think we've done a very good job on the biologics yet, either. So we can't do biogenics and not have done the good job on biologics that would make biogenics a, you know, comparable pathway.

But would you elaborate on the ways in which you think increasing access to biogenics could improve access to safe and appropriate treatments for patients?

GUEST: Well, let me first say I agree with you: It's both biologic and biogenics which are really complicated. And how to break through a process for responsible and timely review on both counts I think is important, and I certainly hope that there will be hearings and really serious consideration of your proposals on it. That's a whole new hearing almost and a whole new set of things to do it.

But, I mean, clearly the future of peoples' health is going to be significantly affected by biologics and biogenics. And, again, as an organization that's interested in consumer safety and consumer opportunity, I think that it's -- I think the emphasis that you're giving it is absolutely well-placed and would hope that the Congress would move forward on that front, as well.

CLINTON: Well, I thank you for that, and I think that, in addition, I mean, to what is clearly a complicated area, there are very few of us -- there are some, but I think there are very few of us in the Congress -- who really have the background in this complex, fast-moving area. We need quite a bit of, you know, discussion.

I would throw on the table another issue which I am increasingly, you know, having questions about, and that's the whole area of nanotechnology and the creation of these, you know, nano-devices and nano-elements. They are clearly part of the whole biologics effort. We don't really understand the impact on our health or environment of them.

I mean, we are truly on a new frontier, Mr. Chairman. We don't know. And I hope that, as we go forward, we will take the time to educate ourselves thoughtfully about these range of issues.

But the bottom line is: We need, as Dr. Thomas said, to make sure that the FDA remains the gold standard. We've got to give it the resources, the morale, the authority it needs, because we're on the brink of just extraordinary, breathtaking changes, and we're not even particularly well-equipped for what's already on the table.

So I thank you, Mr. Chairman, for holding this important hearing.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS A HEARING ON THE NOMINATION OF ROBERT GATES TO BE U.S. SECRETARY OF DEFENSE, 12/5/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

And Mr. Chairman, it has been a privilege to serve on this committee under your leadership. I'm very grateful to you.

And Dr. Gates, thank you for your candor. That's something that has been sorely lacking from the current occupant in the position that you seek to hold.

Your candor to this committee, to the American people, and especially to our men and women in uniform, is crucial to our success. We need a strong secretary of defense -- but that doesn't mean strong-headed.

And I appreciate your openness and willingness to engage with this committee today.

Part of that candor was evident when you responded to Senator Levin's question about whether we are winning the war in Iraq, contrary to what your predecessor told us from that very chair and what the president has told the American people.

Can you tell us when and how you came to the conclusion that you expressed in your testimony, that we were not winning, a conclusion different from the president's?

GATES: I think that, frankly, if the president thought that the current tactics and strategy that we were employing were successful, he wouldn't be looking for fresh eyes and looking for new approaches and new tactics in our situation in Iraq.

GATES: I suppose that I came to that conclusion during my service on the Iraq Study Group, which was really the first time I'd had the opportunity to look at some of these circumstances in detail.

CLINTON: Well, you know, Dr. Gates, since the president made a statement as recently as October 25th that we were absolutely winning, many of us believe that the outcome of the election has triggered the willingness of the president to perhaps look at other options.

As you said in your testimony today, you don't believe there are any new ideas on Iraq; that we know what the options are, and it is incumbent upon us, our government, hopefully in consultation with the Congress, on a bipartisan basis, to find a path forward.

Now, with respect to the path forward, have you reviewed Secretary Rumsfeld's memo regarding possible policy options for changing course in Iraq?

GATES: I just read the version of it in the newspaper.

CLINTON: Do you agree with the analysis that appeared in the article that contained a copy of the memo that you've referred to?

GATES: It seemed to me that some of the options that Secretary Rumsfeld are exactly among those that need to be considered in considering the path forward.

CLINTON: You know, Dr. Gates, I've been honored to serve on this committee now for nearly four years. Many of the options that Secretary Rumsfeld put forward in that memo have been discussed in our committee deliberations.

CLINTON: They have been offered to administration witnesses as possible options. And yet there were no changes.

That strikes me as being very troubling, because now we're looking at the potential for a thorough review that will lead to changes that will be in America's interest, be in the interests of our men and women in uniform and, we hope, in the interests of the people of Iraq and the region.

Based on your experience, which goes back quite a ways in this town, do you believe the president, the vice president and the existing secretary of defense are intelligent men?

GATES: Yes, ma'am.

CLINTON: Are they patriotic?

GATES: Absolutely.

CLINTON: Do they care about our men and women in uniform?

GATES: Absolutely.

CLINTON: Do they believe the decisions they have made for the last five years have been in America's best interests?

GATES: I have not had that discussion with any of them, Senator.

CLINTON: Well if we...

GATES: I've heard that they believe that they were in the country's best interests.

CLINTON: So, therefore, we have this conundrum. We have a president and a vice president who will ultimately decide -- as the president is fond of saying, he is the decider -- about the direction to pursue going forward in Iraq. And it is quite frustrating to many of us to see the mistakes that have been made -- some of which you have enumerated -- and to wonder whether there is any change that will be pursued by the president.

Do you have an opinion as to how and when the process will occur that might lead to some changes in options and strategies?

GATES: My sense, Senator Clinton, is that this process is going to proceed with considerable urgency.

I would tell you that, if I'm confirmed, as soon as I'm sworn I intend to actually move very quickly in terms of the consultations with the commanders in the field and with the Chiefs and with others in terms of formulating my recommendations.

So I would say, certainly from my standpoint and, I think, also from the administration's, with considerable urgency.

CLINTON: Finally, let me ask you, Dr. Gates: In an oral history of the '91 Gulf War produced by the PBS program "Frontline," you made some very definite points about how the military often overstates, or even, in your words, exaggerates the level of forces required to accomplish a specific objective.

I'm concerned that's precisely the attitude that we've heard from Secretary Rumsfeld, former Deputy Secretary Wolfowitz and others, with regard to General Shinseki's recommendation and many in the uniform military, and civilian experts, who have consistently beat the drum that we don't have enough troops; we never had enough troops.

Therefore, how will you take that set of recommendations from your uniform military on board and figure out how you're going to assess it, given your previously stated position that it's often exaggerated when we look at missions to accomplish?

GATES: Senator, that statement was made in the context of the bureaucratic wars in Washington and the decision-making process, or the process of considering contingency planning in the Situation Room.

I would tell you that CIA also, in those same meetings, often would describe, very pessimistically, the prospects for covert actions that were being considered by an administration.

And, frankly, it's my experience that both the military and CIA take that kind of approach. Because sometimes they hear, as one of the earlier senators was -- I think it was perhaps Senator Warner, the chairman -- they hear some awfully strange ideas in the Situation Room, sometimes, from members of the National Security Council staff.

It was always my experience that, contrary to the conventional wisdom, it was the State Department that most often wanted to use force and the Department of Defense that most often wanted to use diplomacy. And CIA never wanted to use covert action. Everybody wanted everybody else to take the actions.

I think that, when the actual decisions came, though, the recommendations of the military were taken very seriously.

And I remember when President Bush, the first President Bush, was asking about the offensive strategy, once we had 200,000 troops in Saudi Arabia. And we were at a meeting in the Situation Room in the fall of 1990. And the military came in and briefed on what they felt they needed to eject Saddam and the Republican Guard from Iraq, from Kuwait.

GATES: And they went through a long list of things: moving the 7th Corps to the Middle East, six carrier battle groups, activating the Guard and Reserve. And I'll never forget, the president stood up and said, "You've got it. Let me know if you need more."

And I think that that kind of deference, when you get past the debate about what the policy should be, the great deference should be extended to the professionals who are going to have to carry out the action. And I think the first President Bush did that in the Gulf War, and that certainly would be my instinctus (sic) if I'm confirmed as secretary of defense.

CLINTON: That would certainly be welcome.

U.S. SENATOR JOHN WARNER (R-VA) HOLDS HEARING ON THE IRAQ STUDY GROUP REPORT, 12/7/2006

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you very much again, gentlemen, for your service to our country once again.

I think you can tell from the tenor and content of the questions that we're searching for the best way to implement a series of policies and actions that might possibly move us forward.

As I listen to you and as I reviewed the report, I'm basically hearing two overriding suggestions: one, that we have to engender the will and assist the capacity of the Iraqi government to take the political and economic actions necessary to stabilize itself.

And our biggest stick in order to do that is to make it clear we are not there unconditionally. We are not going to be baby-sitting a civil war. We are not going to take sides in sectarian violence.

Is that a correct statement, number one?

HAMILTON: I think it's a correct statement.

But it's not the only leverage we have -- the troop level. I think the conditionality of aid is another leverage. I also think, if you play it right, the regional diplomacy which Jim has been talking about can be used very effectively as a leverage on the Iraqi government.

HAMILTON: But you're right: We think you have to encourage that Iraqi government to act. And the military troop level is a very, very important part of that.

CLINTON: But let me follow up and ask about our own government. Because you have a series of recommendations that are quite -- both comprehensive and challenging.

The idea of a Goldwater-Nichols process that would get us where we need to be; that took decades. We know it was contentious. It made significant changes. We don't have time for that.

You've got other recommendations that talk about engaging the entire United States government, using all the tools at our disposal.

We've now heard from the Iraq Study Group, but we need the White House to become the Iraq results group. That is very frustrating for some of us. We don't understand the misjudgements and missteps that have been taken in the last years.

What advice can you give us as to the role that Congress can play to try to help create the conditions that our own government will muster both the will and capacity to act along the lines that you've recommended and that I think we in general agree need to be pursued?

BAKER: Senator Clinton, I think if the Congress were to -- in addition to praising this report, which many members of Congress have, and for which we are grateful, if the Congress could say, "This is a good basis for going forward and unifying the country behind a single approach to this difficult problem of Iraq," that would help, I think, the executive branch in its deliberations.

They just got the report yesterday, just like you just got it yesterday. And we've heard differing views here with respect to many of the recommendations.

If the Congress could come together behind supporting, let's say, utopianly, all of the recommendations in this report, that would do a lot toward moving things downtown, in my opinion.

HAMILTON: The Congress is a co-equal branch of government. I, frankly, am not that impressed with what the Congress has been able to do. I think the Congress has been

extraordinary timid in its exercise of its constitutional responsibilities on the question of war-making and conducting war.

Now, the answers here are not easy. But in a word, I think very robust oversight is necessary. I think it's been lacking. I think it has not been a strong performance by the Congress.

And what can you do to most assure success of the policy? I would say very vigorous, robust oversight.

Many of the problems that you mentioned that have occurred that we did not examine because we thought it was out of our mandate I think could have been corrected with vigorous oversight.

CLINTON: Thank you.

"Today," NBC, 12/18/2006

Sen. **CLINTON:** Good morning, Meredith.

VIEIRA: I want to get to Hillary '08, but first I want to start with "It Takes a Village" '07...

Sen. **CLINTON:** OK.

VIEIRA: ...because this book came out 10 years ago...

Sen. **CLINTON:** Right.

VIEIRA: ...and a lot has happened in the past 10 years that makes it, I think, even more imperative that we will need a village to raise healthy, secure children. We've had the war in Iraq, 9/11, the impact of the Internet. What is the most important thing we can do as a nation to guarantee that our children are safe and secure?

Sen. **CLINTON:** Well, that's the question that I address in the forward to the book. When I wrote it 10 years ago, we had a lot of issues that we needed to deal with. We made progress on those, but we're going backwards now. Child poverty is up, more children are lacking health insurance. There is a sense of being overwhelmed. You know, as a--as a mom myself, I just can't imagine what it's like for young mothers trying to compete with the Internet and the mass media. It's like having, you know, another parent in the home that is...

VIEIRA: But if we're going backwards, then how do we stop that?

Sen. **CLINTON:** Right. Well, by, number one, realizing what's going on. Let's face reality. We've got to help parents do the hardest job in the world, which is to raise their children. And we need better policies to support parenting and families, and I'd like to see us put children back in the center of our national dialogue. You know, I've been in the Senate now for six years, and one question I ask myself as I try to figure out what is the right thing to do with these myriad of issues that I'm facing...

VIEIRA: Mm-hmm.

Sen. **CLINTON**: ...is: Is it good for our kids? And, you know, I try to be guided by that because at the end of the day there isn't anything more important than how we treat our children. And the idea of the village, it's a metaphor for society. You know, I was lucky when Chelsea was, you know, being raised by her father and me to have a lot of help, not just by people we knew--family members and teachers and doctors and others--but people we never would know, like police and firefighters and folks who had a direct impact on her upbringing.

VIEIRA: Speaking about the village, do you want to run the village? I mean, it's sort of--it's the elephant in this room, you know...

Sen. **CLINTON**: (Unintelligible)

VIEIRA: ...or maybe the donkey in this room, since we're talking about a Democratic nomination.

Sen. **CLINTON**: Right. Right.

VIEIRA: But everybody is talking about you and Senator Obama. Really--you're the cover of Newsweek. Most people have decided you are going to run. The senator from Illinois has said he's thinking about it. You've said you're thinking about it. This, to me, seems like a perfect opportunity for you, Senator, to tell us whether you've made a decision.

Sen. **CLINTON**: Well, I'm working hard to make a decision, and I will after the first of the year. I mean, it is really both very flattering and overwhelming to be looking at this. Maybe more than anybody else, I know how hard this job is. I saw it in an up-close-and-personal way for eight years, and I worry that whoever the next president is, is going to face just a myriad of very difficult challenges. So I'm trying to approach this with a big dose of humility, number one, because it is going to be a hard job no matter who gets it. And number...

VIEIRA: But what's the first question you ask yourself? You say you're going to wait for the beginning of the--of the new year...

Sen. **CLINTON**: Right. Right.

VIEIRA: ...but that's only couple of weeks away.

Sen. **CLINTON**: Right.

VIEIRA: What's going to happen between now and then to make a decision?

Sen. **CLINTON**: Well, this is an intensely personal decision. You know, I'm very honored that people are urging me to run and saying they want to sign up, and yet, at the end of the day, I want to be sure that my decision is right for me, for my family, for my party, for my country.

VIEIRA: Are you leaning one way or another?

Sen. **CLINTON**: Well, you know, obviously I'm looking at it. I wouldn't be looking at it if I were totally uninterested.

VIEIRA: So you're leaning toward running then.

Sen. **CLINTON:** No, but I'm looking at it very hard. You're good, Meredith.

VIEIRA: So you got to lean where--you're definitely leaning to the left whatever way you're leaning...(unintelligible).

Sen. **CLINTON:** Yeah, that's right, I'm leaning right...(unintelligible)...left. I'm trying to be right here in the center.

VIEIRA: How much--how much of a say do your daughter and your husband have in all of this? How much do you take their feelings into consideration, their viewpoint?

Sen. **CLINTON:** Well, I think anybody takes their family into consideration. This is such a grueling endeavor that, if you undertake it, if you don't have your family on your side and really urging you on, you can't do this. It's too much.

VIEIRA: Why wouldn't you run for president? I mean, the polls indicate that if you did run you're the front-runner?

Sen. **CLINTON:** Right. Well, you know, I'm trying to weigh all the different factors, and, you know, one thing that I think is important is whoever the next president is has to hit the ground running. I mean, with all due respect to our current president, he has dug us into some very deep holes as a nation. You know, we've lost respect and admiration abroad, we have a huge deficit, we're having more and more people who are uninsured, we've got global climate change, energy dependence on dangerous parts of the world. We really need to face up with kind of honest optimism. You know, I've always believed Americans can do whatever we set our minds to. We just haven't been asked to do anything in the last six years.

VIEIRA: But a lot of people, Senator, think that you also represent the past, and that's one of the reasons why Barack Obama is so popular with people; they say he represents the future. He says, you know, unlike a lot of people, like you and me--`I'm not a baby boomer,' Obama says, `I'm younger. I want change.' And that electrifies people.

Sen. **CLINTON:** Well, he's terrific. You know, he's a friend and a colleague and I have a very high regard for him. Elections are always about the future, but that's up to the voters. People have to look at candidates, they have to weigh positions on issues. It's--really comes down to a gut feeling when you're looking at someone, especially someone who could be president and commander in chief, and that's what elections are about and campaigns are about.

VIEIRA: Do you think he would make a good president...

Sen. **CLINTON:** Well, I think...

VIEIRA: ...given his experience, or lack thereof?

Sen. **CLINTON:** ...I think he's a--I think he is a, you know, really exciting personality and someone who has a lot to contribute to the national dialogue. We're blessed this year with the people who are thinking of running. You know, we just lost one excellent candidate when

Senator Evan Bayh said he wasn't going to run. And, you know, I would love to see a wide-open race. Let as many people run on both sides because this country needs the kind of debate that, frankly, we haven't had in a long time.

VIEIRA: Speaking about debate, let's talk a little bit about Iraq. Senator Harry Reid said over the weekend--incoming Democratic majority leader--that he would support a temporary increase in troops in the Baghdad area, a temporary surge. The former Secretary of State Colin Powell says he's opposed to that. Where do you stand on that position? Do you believe we should send more troops into Iraq?

Sen. **CLINTON:** It depends, number one, what is the mission of those troops? I am not in favor of sending more troops to continue doing what our young men and women have been told to do--with the government of Iraq pulling the rug out from under them when they actually go after some of the bad guys. I am not in favor of doing that unless it's part of a larger plan. Everyone knows there is no military solution to the difficulties we face in Iraq. There has to be a broad-based, comprehensive approach that includes resolving some of the political issues, bringing the region together. I have an op-ed in The Wall Street Journal today, urging that they look at an oil trust, like what we did in Alaska when we found oil. Let every Iraqi share in the proceeds so that maybe they will feel a commitment to the future.

VIEIRA: But under some circumstances you would potentially support more troops in Iraq.

Sen. **CLINTON:** Well, let's see the plan. You know, I'm not going to believe this president again. I did that once. A lot of us did, and it hasn't turned out very well. So...

VIEIRA: And you've been criticized for that, Senator--and you know that this is not something that you haven't been subjected to before--by voting to give the president the authority to use force in Iraq if necessary. Some people feel that that was a mistake, that you made a mistake. Other senators who voted that way, like senators Kerry and Edwards, have said, 'We feel--we regret it. It was a mistake.' You refuse to say it was a mistake. Why?

Sen. **CLINTON:** Well, you know, obviously, it was wrong to believe this president. That's tragic to say because people's lives are at stake. He should have let the inspectors do their job. That was what...

VIEIRA: But were you wrong to take that vote, to make that vote?

Sen. **CLINTON:** Well, you know, you have to go and look at the situation as we knew it then, and I take responsibility for that vote. Obviously, if we knew then what we know now, there wouldn't have been a vote and I certainly wouldn't have voted that way.

VIEIRA: Senator Clinton, we have run out of time. When you plan to announce--hopefully she'll do it here.

We'll be right back after this.

Sen. **CLINTON:** Thank you.

VIEIRA: Thank you so much.

Sen. **CLINTON:** Thank you.

"Morning Edition," NPR, 12/19/2006

STEVE INSKEEP, host:

Have you concluded that American voters are ready to elect a woman president?

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Well, we won't know till we try.

INSKEEP: Hillary Clinton is not quite saying she will try, but she is saying it should be tried. The New York senator sat down in Manhattan yesterday, amidst speculation that she may run for president. She faces questions about whether a woman, or this particular woman, can win. And she said such questions should be decided in a campaign - by voters.

Sen. **CLINTON**: They get to take a measure of you. They get to decide whether they like your position on energy, or whether they like your hairstyle. I mean it's all fair game. So until a woman steps into that arena - and believe me, probably better than most, I know how brutal that arena is - but until somebody does that, we really won't know.

RENEE MONTAGNE, host:

The former first lady is giving a handful of interviews because she's putting out a book. It might offer clues to those who wonder what she would stand for as a candidate. She re-published "It Takes a Village." That's the book that she put out 10 years ago about the community's role in raising kids.

INSKEEP: She wrote it in 1996 after her party lost Congress, partly because of a disastrous national healthcare plan that Mrs. Clinton supervised. Ten years later, Democrats have just won back Congress and the nation is at war, but she still endorses her book's call for universal health coverage.

Sen. **CLINTON**: What's that old saying that, you know, good judgment comes from experience and experience comes from bad judgment. I learned a lot about how we have to do this. We have a partnership. We have to have the private sector onboard. We have to have everybody believing that the system, over the long run, will function better for them and not for somebody else. And I think we can do that now.

INSKEEP: You mean it's - what you've learned is just to approach it differently in a tactical sense?

Sen. **CLINTON**: No, I think strategic as well. I mean, the goal remains the same. I believe that it is absolutely unsustainable for the United States of America, the richest nation in the world, not to have quality, affordable, accessible healthcare available to every American.

INSKEEP: You also write about the way the world has changed since 9/11...

Sen. **CLINTON**: Right.

INSKEEP: ...since you published this book.

Sen. **CLINTON**: That's right.

INSKEEP: Is it fair to say that the changes since 9/11 have forced less attention on problems that you care about: education, healthcare, and so forth?

Sen. **CLINTON:** Well, it's fair to say that security is the number one problem we face, because we were attacked and we have people around the world, unfortunately, plotting against us as we speak. Unfortunately, we have only focused - and I believe in an inadequate way - on one of our problems in the last six years.

INSKEEP: Has the war in Iraq drained resources that could better have been spent on education or healthcare?

Sen. **CLINTON:** Well, the war in Iraq has certainly drained resources. And it's been very troubling that this administration doesn't even put the cost of the war into the budget, something that we intend to do, as Democrats, when the new Congress convenes. We have seen waste and we have failed to provide basic equipment to our young soldiers and Marines who go into harm's way on a daily basis.

INSKEEP: Does that cast your vote to authorize the conflict in a different light? That it's cost hundreds of billions of dollars and there are huge deficits, and that would be part of the reason?

Sen. **CLINTON:** Well, it's also cost thousands of lives and thousands more of injuries. You know, I've said repeatedly that, you know, had we known then what we know now, there never would have been a vote. I certainly wouldn't have given the president the authority. But I believed that putting inspectors back in, and allowing inspectors to determine once and for all whether Saddam Hussein, who had used weapons of mass destruction, still had them and still had the capability to deliver them, was a worthy effort.

Unfortunately, the president did not permit the inspectors to complete their job. If he had done so, we would have found what we found only after military action.

INSKEEP: In the Democratic Congress, are you going to be in a position to advocate for changes on a grand scale to anything, given the realities?

Sen. **CLINTON:** Well, I believe we will advocate and we will finally have a forum to do so. Democrats will be able to put forward plans about universal healthcare coverage, about moving toward greater energy independence, about dealing with the threat of global climate change, about improving our education system. We have seen so much of the progress, to really make lasting change in our country, stalled or reversed in the last six years.

INSKEEP: But if you're going to put forward a plan on, say, universal healthcare, and also say we're going to pay as we go, and make sure that there's money to pay for whatever we propose, it's not going to work out.

Sen. **CLINTON:** Well, see, that's just not true. If we had been governed sensibly the last six years, with the balanced budget and the surplus, which this administration inherited, we would have been a long way down the road to deal with Social Security, and Medicare, and all of the financial challenges they pose.

You know, I believe America can confront any problem if we're willing to make some tough decisions. We've not been asked to make any tough decision. The president hasn't called for sacrifice from any of us. We're not asked to even turn the lights off and conserve energy, in order to limit the amount of money that is flowing to regimes that are antithetical to our interests.

INSKEEP: What's a tough sacrifice that you would call for, if you were in that office?

Sen. **CLINTON:** Well, I believe, number one, we've got to get back to balancing the budget. That means we're going to have to cut spending, and we're going to have to take a hard look at these tax cuts that have not produced the revenues that were promised. You know, we have quite a long list of difficult decisions we're facing but we need leadership in order to begin the debate.

INSKEEP: Would you, if you were in that office, be saying in past wars the government raised taxes to pay for the war? And we're in a war, we should raise taxes to pay for the war.

Sen. **CLINTON**: Well, I have repeatedly said we've never had a president who took us to war and cut taxes at the same time.

INSKEEP: But would you raise them?

Sen. **CLINTON**: Well, I'm not sure you need to raise them. I think you need to prevent them from continuing to be cut and you also need to take a hard look at the ones that are about to expire. Everybody has got to pitch in.

INSKEEP: What would say to one of those people who's been telling pollsters, I know who Hillary Clinton is, I have an idea what I think Hillary Clinton stands for, and I don't like her or I don't like her as a presidential candidate?

Sen. **CLINTON**: Well, I would say what I said to people in New York, who said the very same thing, let me introduce myself to you, really. You may think you know about me but I may be the most famous person you know very little about. There's just so much kibitzing about who I am, and what I believe, and what I've done. And I'd like to make sure the record is clear and then people can make their own judgment.

INSKEEP: I mean, obviously this is a brutal stage. New York can be a tough crowd.

(Soundbite of laughter)

Sen. **CLINTON**: Yes. Yes.

INSKEEP: As you know well. But I wonder if there are other parts of the country that would be an even tougher crowd for you.

Sen. **CLINTON**: Well, you know, I spent many wonderful years in Arkansas, grew up in Illinois. I have, you know, a lot of friends that, you know, I still see from my high school years. You know, the middle class out of which I came is being squeezed. If we don't hold together, if we don't believe in our values and ideals, then everybody's future is at risk.

INSKEEP: Well, Senator, thanks very much.

Sen. **CLINTON**: Good to talk with you.

INSKEEP: That's Senator Hillary Clinton of New York speaking yesterday. She has re-published her book "It Takes a Village" for its 10th anniversary.

MONTAGNE: Later today on ALL THINGS CONSIDERED, we'll ask if voters are ready to elect the first female president. This is NPR News.

"The Early Show," CBS, 1/17/2007

Meanwhile, the senator widely thought to be the Democratic presidential front-runner has made no announcement about her plans. Senator **Hillary Rodham Clinton** has just returned from a trip to Iraq and Afghanistan.

Senator, thank you very much for joining us this morning. Before...

Senator HILLARY **CLINTON**: Thank you, Harry.

SMITH: Before we get to Iraq and Afghanistan, very important subjects, real quickly, do you want to go ahead and announce your candidacy on our show this morning, just to get it out of the way?

Sen. **CLINTON**: Well, Harry, if I do have something to say about that, I'll certainly come back. How's that for a deal?

SMITH: OK. All right, very good. And very quickly, your reaction to Barack Obama throwing his hat in the ring yesterday.

Sen. **CLINTON**: Well, it's terrific that we're going to have a very vigorous primary on both sides. You know, the country needs a national conversation about where we're headed and how we're going to get there. So I'm looking forward to a spirited and substantive debate about issues, about goals, about aspirations, about experience, about the kinds of things that voters will be interested in.

SMITH: I want to get to Iraq. This is really foremost on my mind this morning.

Sen. **CLINTON**: Yes.

SMITH: You're just back from Iraq and Afghanistan. You talked to the generals, you talked to Prime Minister al-Maliki. First, with the generals. Did you come back from this trip with any more faith that this troop buildup can, in fact, have an effect that the president hopes it will?

Sen. **CLINTON**: No, Harry. Based on my assessment in Iraq and talking with our troops, talking, obviously, with our generals, our civilian representatives, members of the Iraqi government, including Prime Minister Maliki, I am opposed to this escalation. I'll tell you what I'm for. I'm for capping the number of American troops as of January 1st. I am for imposing conditions on the Iraqi government by conditioning any further funding for the training of their military, for the protection of the leaders, for economic reconstruction assistance, on their fulfilling the political goals that we have expected of them. And there are numerous ones that have been called for, but the Bush administration has, frankly, failed to put any leverage on this government. I am for redeploying our troops out of Baghdad and eventually out of Iraq so that we can make sure that they're not in the midst of a civil war. And finally, I am for putting more troops in Afghanistan. This is the great missed opportunity that I fear we're going to stumble on because Afghanistan is, so far, quite a success story. Unfortunately, we don't have enough troops there.

SMITH: Right.

Sen. **CLINTON**: So instead of moving troops out of Afghanistan, which is one of the troop movements that would happen if the president's plan went forward, I believe that we should be putting troops into Afghanistan to be ready for what will be a spring offensive by the Taliban.

SMITH: Right. Because the record number--there are a record number of Taliban attacks in the last year, a record number of heroin sales. There really is jeopardy in Afghanistan. I want to go back to Iraq for a second, though, first. You met with Maliki. Maliki has said, 'I'm going to meet these benchmarks' before. He has failed to do so, and, quite frankly, the Iraqi army has not been given free rein to go after these death squads and members of the Mahdi

army. Did you get any sense from the Maliki government that they were ready to actually do the hard work that needs to be done?

Sen. **CLINTON**: Well, we got lip service. But I think your assessment is correct. This is clearly an abdication of responsibility by this government, and we need some leverage on them. And I don't think putting more American troops into the midst of what is now a five-war front--you've got Sunni vs. Shia. You've got Shias fighting one another. You've got al-Qaeda involved. You've got so many different crosscurrents of battles going on. And the United States military is the best in the world. We know that. But we don't know that terrain, we don't know that language. Unless there is a total partnership with the Iraqi government and the Iraqi army, this can't work. And I didn't see the signs of that partnership. That's why I want to cap the troops. That's why I want to condition American aid to the Iraqis on their meeting political benchmarks. Enough of the talk. You know, we provide the protection for them, we provide the the equipping and resourcing and training for their army. You know, let's just say...

SMITH: `Time's up.'

Sen. **CLINTON**: ...we're not going to do that anymore. That's right.

SMITH: All right. Real quick then. I've got about 30 seconds left. The NATO commander has said he needs more troops. The American commanders have said, `We don't have enough people to do the job here.' Do you feel the progress that has been made in Afghanistan is literally in jeopardy without more US troops?

Sen. **CLINTON**: Absolutely. This spring is a make or break time. I would strongly urge--and Senator Bayh, who went on this trip with me, we're sending a letter to Secretary Gates today. I spoke to the White House yesterday. They need two additional infantry battalions in the south in order to take on this Taliban offensive.

SMITH: Mm-hmm.

Sen. **CLINTON**: And they certainly should not be moving an infantry battalion out of the east to Iraq, which is one of the reports that I've had. So...

SMITH: Right.

Sen. **CLINTON**: ...let's focus on Afghanistan and get it right. We still have a chance to do that. We have the support of the government. We have an Afghan national army that's performing well. And let's start getting tough on the Iraqis and begin redeploying our troops and putting pressure on them to meet their own benchmarks.

SMITH: Right. Senator Clinton, thank you so much for your time this morning. Do appreciate it. I assume we'll be talking again in the not too distant future.

Sen. **CLINTON**: Thank you, Harry. It's good to talk to you.

SMITH: All right. Take care.

With more news, here's Russ Mitchell at the newsdesk.

RUSS MITCHELL, anchor:

Good morning, Harry, and good morning everyone.

"Today," NBC, 1/17/2007

MR. LAUER: Senator **Hillary Rodham Clinton** has just returned from a trip to Iraq.

Senator, good morning to you.

SEN. **CLINTON**: Good morning, Matt.

MR. LAUER: Based on what you saw, Senator, on the ground, based on what you heard from the troops who are serving there, what about this plan to send these additional troops to Iraq, in particular in Baghdad? Do you think the plan can work?

SEN. **CLINTON**: No. I'm opposed to it. I talked with a number of our troops, obviously our generals as well as our civilian representatives there and members of the Iraqi government, including the prime minister.

I do not think that this strategy has a very high level of success at all attached to it. In fact, I think that at best it's a holding pattern. I support putting a cap on the number of American troops as of January 1st. I support the beginning of a phased redeployment out of Baghdad and eventually out of Iraq completely. I also --

MR. LAUER: But Senator, if we don't send these additional troops in -- yesterday was a day of carnage in Iraq --

SEN. **CLINTON**: That's right.

MR. LAUER: -- over 100 people killed. The U.N. reports that last year 34,000 Iraqis lost their lives. If we don't suppress this sectarian violence and the insurgency, aren't we just going to see more of the same?

SEN. **CLINTON**: We're going to see it no matter what, Matt, because the Iraqi government is not committed to taking the steps, both militarily and politically, that would help them to gain control over Baghdad and other places in the country.

I propose putting conditions on the funding that we provide to the Iraqis. I don't think we should continue to fund the protection for the Iraqi government leaders or for the training and equipping of their army unless they meet certain conditions, including making the political compromises that have been called for now for more than two years. I see no evidence --

MR. LAUER: So when you say --

SEN. **CLINTON**: -- that they are about to do that.

MR. LAUER: When you say you're opposed to sending these troops in and you want to cap the number of troops, I mean, the troops are already on their way. They're heading there right now. Most Democrats have said they will not cut funding for troops on the ground.

So what exactly are you going to do? And what's the window you're willing to give the president to try this new strategy? At what point do you say, &"Enough's enough, Mr. President; now I will use the purse strings&""?

SEN. **CLINTON:** Well, the problem, of course, Matt, is that the president has enormous authority under our constitutional system to do exactly what he's doing. He does have the money already appropriated in the budget. But look at what decisions he's making. He's taking troops away from Afghanistan, where I think we need to be putting more troops, and sending them to Iraq on a mission that I think has a very limited, if any, chance for success.

We are doing nothing to change the dynamic with the Iraqi government. They're waiting us out. They intend to do everything they can to impose a particular brand of dominance over the Sunnis. And there's no reason for the Sunni insurgency, therefore, to stop. We need to have --

MR. LAUER: So when the U.S. military official said in Baghdad, quote, &"We are implementing a strategy to embolden a government that is actually part of the problem; we're being played like a pawn,&" you would agree with that?

SEN. **CLINTON:** I certainly would agree with that. And the other missing element of this, which the administration refuses to pursue, is any kind of regional conference. We need to get the political changes made within Iraq. And we are not putting any leverage on this government to do it.

I don't think begging a government that has shown no willingness to make tough decisions is a strategy. I think putting leverage on them and saying, &"You know what, we provide security for the members of this government; we're cutting funding for that; we're not going to fund an army that doesn't show up half the time, that is more aligned with their sectarian position than with the national identity,&" and I just have to reiterate, we could, with our attention focused on this strategy, which I think is a losing strategy, turn what has been a very positive development in Afghanistan to a loss. We're going to have a big Taliban offensive --

MR. LAUER: Right.

SEN. **CLINTON:** -- in the spring. We need more troops in Afghanistan. And today Senator Bayh and I have sent a letter to Secretary Gates saying that we need two additional infantry battalions in the south of Afghanistan --

MR. LAUER: Let me --

SEN. **CLINTON:** -- and don't take away a battalion out of the east of Afghanistan to send it to Iraq on this very bad mission that the president has engaged in.

MR. LAUER: Let me turn the corner, if you will, Senator, on a couple of things. Senator Barack Obama has announced he's opening an exploratory committee, basically the first step toward running for president. Is he completely qualified? He's been in the Senate for

two years, a member of the Foreign Relations Committee. Is he completely qualified to be commander in chief, in your opinion?

SEN. **CLINTON:** You know, Matt, we're going to have a really vigorous debate, I think on both sides, with both parties, in this primary season. And the voters will make these decisions. That's what's so great about our system.

MR. LAUER: But do you think he's qualified? I mean, he's a fellow Democrat. Would you be comfortable with him in the White House?

SEN. **CLINTON:** I'm going to let all of those decisions be sorted out by voters. You know, this is at the beginning of a long process, and we don't even know who all is going to be in it and what their positions are going to be. But what's good about this is we're going to have a real conversation in the country about, you know, what our goals are, how we frankly undo some of the damage that's been done by this administration, and get back on the right track.

MR. LAUER: We don't know who's going to be in it because some people are still sitting on the sidelines. When are you going to get off the sidelines?

SEN. **CLINTON:** Well, I'll certainly come back and talk to you about that when a decision is made.

MR. LAUER: All right, Senator Hillary Clinton. Senator, thanks for your time this morning. I appreciate it.

SEN. **CLINTON:** Thanks, Matt.

"Good Morning America," ABC, 1/17/2007

MS. SAWYER: First thing, Senator, Barack Obama February the 10th is going to be go or no go. First reactions?

SEN. CANTWELL: Well, he's a talented individual. We're so glad to have him in our caucus. And he's a voice, I think, that is bringing a lot of fresh ideas. We obviously are going to have some very talented people, including the person right next to me.

We're so glad because, you know, when we have a woman who might be in the White House who could ascend to really bringing female leadership to a whole new level, that's exciting. And Barack is carrying a torch as well for breaking the glass ceiling. And it's a long way till the first primary, but I think we're very proud. We're certainly very proud of what Senator Clinton has done and achieved in the United States Senate.

MS. SAWYER: Senator Clinton, you're nodding. Anything else you want to say about Senator Obama?

SEN. **CLINTON:** I would agree with what Maria said. (Laughs.)

SEN. CANTWELL: Consensus building. We're consensus builders. (Laughter.)

MS. SAWYER: Do you believe that if there were more women presidents in the world, there would be less war? How sure are you that there would be less war? Do you think actually war would be --

SEN. FEINSTEIN: Not necessarily.

SEN. CANTWELL: Well, I think, Diane, women are agents of change. And while we're only 16 percent of the United States Senate, we are trying to make change. So it doesn't mean that you're going to predict the outcome, but it does mean that you will hear about collaboration, you will hear about cooperation, and you will hear about a format that I think brings people together.

(Cross talk.)

SEN. LANDRIEU: Well, I'm not certain that we would have less wars, but I'm certain there would be more collaboration. So while we can't prevent war, we can maybe extend the peace longer. Maybe we can bring it more readily. But we don't ever claim that we could, in power, end war. But I do think that women bring a different perspective on just how much is enough when it comes to bloodshed and expenditure of funds for weapons.

SEN. **CLINTON**: You know, Diane, I just got back from Iraq and Afghanistan. And in both places, in addition to meeting with our military leaders and the governmental officials from both countries, I met with groups of women. And women who are now in positions of responsibility in both governments now just begged for help from American women, particularly those of us in government; to give them some resources and support.

So I don't think that you can foresee or foreordain any particular outcome, but I do think what we're all saying is that there is, at least in our experience, more of an openness to process, to bring people together to the table, that collaboration and collegiality. And that in and of itself can cause positive results. Not that, you know, it's going to end all wars or something as hopeful and aspirational as that. So I do think there's some differences we could build on.

SEN. FEINSTEIN: I think women look at power differently, too.

SEN. **CLINTON**: Mm-hmm.

SEN. FEINSTEIN: I think men have a very, I was going to say, sort of upscale view of power, that it's got to really emanate from the top. And most women have gotten wherever we've gotten because of hard work -- doing your apprenticeship, earning your spurs, working your way up. It's a very different thing, so you intend to be much more inclusive.

SEN. COLLINS: But I don't want to leave the impression that a woman president wouldn't do what is necessary to defend this country. If Elizabeth Dole had been successful and had been president, I'm sure that she would have reacted very strongly and effectively to the attacks on our country on 9/11.

SEN. MCCASKILL: I want to point out this is a tough, tough group of women. Don't cross these women. (Chuckles.)

If you want to mess with America, if you want to do something that harms our country, I think that at the same time we talk about how we are good at finding common ground. And we care very much about collegiality. I don't want this interview to end with anyone being mistaken that, whether it be Hillary Clinton or any of these women, if the time comes and any of us have to make a tough decision that has to do with war or defending our country, every woman in this room is ready to do that because, believe me, if she got here, she's tough.

"Morning Edition," NPR, 1/17/2007

MR. INSKEEP: When Senator Barack Obama took a step toward running for president this week, many people immediately asked what that means for another Democrat -- Hillary Clinton. In a moment we will ask Senator Clinton herself. We will also be asking about Iraq. She's just back from Afghanistan, Pakistan and Baghdad and she has returned to the United States in the middle of a fierce debate over the war.

Senator Clinton is on the line from New York.

Good morning.

SEN. **CLINTON:** Good morning, Steve.

MR. INSKEEP: I understand you met the Iraqi Prime Minister Nouri al-Maliki. What were you listening for?

SEN. **CLINTON:** Well, I was listening for a level of commitment to securing Iraq by the Iraqi government and the Iraqi army and police force that has been missing. And I didn't hear that. I don't see where our putting in more American troops is likely to bring that about.

So what I came away with, Steve, is a very strong opposition to the president's plan for escalation. And instead, I would like to see us cap the number of American troops in Iraq at the level that we had as of January 1st and begin to deploy them out of Baghdad, and eventually out of Iraq.

I would like to see us condition further assistance to the Iraqis on their meetings of political milestones that have been called for for more than two years. They --

MR. INSKEEP: You're saying they would meet these milestones and then the U.S. would step up with more assistance?

SEN. **CLINTON:** No. No, I believe we have to tell them that we're not going to continue to fund their army and security for their leadership and reconstruction for their country unless they take steps necessary to have the political solutions that everyone knows have to be reached.

MR. INSKEEP: Do you think the Iraqi government really isn't trying hard enough, or are they being asked to do the impossible here?

SEN. **CLINTON:** Well, I think that there has been a lack of attention and focus on, you know, dealing with the problems that exist that keeps the Sunnis in an insurgency. And they have also refused to attempt the disarmament of the militias, which keep, you know, the death squads operating.

In thinking about this, there are some of my colleagues, as you know, who say, &"Cut off funding for American troops.&" I think is, you know, not appropriate at this time until we get more of our troops out of harm's way. And frankly, the president has the money to do this if we can't stop him. But I do think we should be saying that we're not going to continue to fund this Iraqi government and their army in the absence of their taking the political steps.

MR. INSKEEP: Senator, you've made it clear that you are opposed to the president's plan to increase troop levels in Iraq. The president said last night on Public Television that he does understand that some people disagree with him but, quote, &"If failure is not an option, what is your idea for success?&" Two-part statement there.

Do you agree that failure is not an option in Iraq?

SEN. **CLINTON:** You know, this is the kind of rhetoric we hear from the president all the time. You know, we do have vital national security interests in the region, but you know, a slogan is not a strategy.

MR. INSKEEP: Are you saying that withdrawal is an option, even if that would be seen by some as failure?

SEN. **CLINTON:** Well, I think that what I've called for for more than a year and a half is a phased redeployment that is tied to certain conditions being met by the Iraqis. I think you've got to get tougher on them!

You know, in this part of the world, unfortunately, the reality is that people respond to pressure and to threats. We have no -- we have not made any credible threats. You know, we are providing the security for the Iraqi government. I think that is leverage that we can use. We are --

MR. INSKEEP: And if I may ask about the president's other part of his statements here -- &"What is your idea for success?&", he asks. Are you saying that the idea is to leave it to the Iraqis to succeed or fail?

SEN. **CLINTON:** You know, Steve, we have put forth plans over the last several years. You know, when the Democrats voted for our phased redeployment plan we had in the political resolution and we had the redeployment of our troops tied to whether or not the Iraqi government performed.

It is not true that there are no alternatives. What is true is that this president is not interested in any alternatives. We have to protect our interests when it comes to al Qaeda and the Sunni insurgents who could follow us home. I totally agree with that, but what we're doing now is not working.

MR. INSKEEP: And one other quick question, Senator. As you know, Senator Barack Obama made news yesterday by taking a step toward a presidential run. As you consider what to do and when to do it, is there a reason for you to hold back from announcing?

SEN. **CLINTON:** You know, I am not influenced by anybody else's timeline. I'm trying to, you know, just pursue my own analysis and assessment.

MR. INSKEEP: What is it that you don't know?

SEN. **CLINTON:** Well, you know, there's a lot involved in doing this effectively. And I'll be, you know, looking forward to talking about it in the future.

MR. INSKEEP: This spring, perhaps?

SEN. **CLINTON:** (Laughs.) Well, you're very good, but you know, I'm just going to go forward with my planning, Steve.

MR. INSKEEP: Senator Clinton, it's good to talk with you again.

SEN. **CLINTON:** Thank you so much, Steve.

MR. INSKEEP: Senator **Hillary Rodham Clinton.**

"NewsHour with Jim Lehrer," PBS, 1/18/2007

MS. IFILL: Senator Clinton, welcome.

SEN. **CLINTON:** Thank you very much.

MS. IFILL: There has been so much debate over the Iraq war in recent days. The president characterized it as expedited failure, the choices, versus slow failure, what had been happening before. And now there are -- there's all this action and reaction on the Hill.

You were there over this past weekend. Would you describe the war as perhaps already lost?

SEN. **CLINTON:** You know, Gwen, I think that certainly our strategy has not succeeded, and I don't think there's any doubt about that anywhere, including in the White House.

The question is, what do we do now going forward? And the president's proposal to add 21,500 troops in an escalation of the combat situation is not going to work.

In the absence of a comprehensive approach that tries to put some pressure on the Maliki government to do the kinds of actions, to create some political resolution, to deal with the oil revenues, to reverse the de-Ba'athification -- all of that has to be done, and so far there have been no consequences extracted from this government.

They get open-ended commitments from the Bush administration. You know, for more than a year-and-a-half, I've been in favor of phased redeployment of our troops, bringing them home as quickly as possible, but based on a comprehensive strategy that looked at the diplomatic, political and economic challenges, and, frankly, exerted some leverage on the Iraqis, who have to take these actions if any possible salvage can be made of this situation.

MS. IFILL: You talk about exerting leverage on the Iraqis. You met with Premier al-Maliki this weekend when you were there, and he gave an interview yesterday in which he said, &"Hey, if the Americans give us enough troops and give us enough armor, then we will be able to be done with them in three or six months, or at least we'll be able to take charge.&" Based on what you -- the kind of conversation you had with him, do you think that's possible?

SEN. **CLINTON:** Well, it certainly is what a number of members of his government, particularly the Shi'a representatives, want. They want the United States to get out of the way so they can try to exert what they view as their greater power, using their allies within the militias that are controlled by members of the parliament and the government, even unleashing the death squads, and, frankly, using elements of the Iraqi security forces who would be in favor of a sectarian outcome.

I returned from this visit -- my third -- and said, look, we have to cap the number of American troops, make it very clear we're not putting more American troops into this sectarian war. We, instead, are going to set forth one last time the actions we expect from the Maliki government. And instead of cutting funding for American troops -- which I do not support because still to this day we don't have all of the equipment, the armored humvees and the rest that our troops need -- instead of cutting funding to American troops, cut the funding to the Iraqi forces and to the security forces -- often private contractors -- that we pay for to protect the members of this government. We have to do something to get their attention in order to force them to deal with the political and the economic and the diplomatic pieces of the puzzle that confronts us.

MS. IFILL: Whether it's cutting support for the Iraqi forces or whether it's setting a cap on a number of U.S. troops in country, aren't you basically saying, U.S., get out of the way?

SEN. **CLINTON:** Well, I think that that should be the point that we make because they -- if you listen to what Prime Minister Maliki said, as you recounted, they want us to equip and provide the resources and firepower to the Iraqi forces. I say no. That will be a mistake because that will certainly produce a reaction from regional powers that are not going to sit idly by and see the sectarian forces, represented by the various Shi'a factions, be able -- with our help -- to go after the Sunnis. They will feel compelled to up their support for the Sunni insurgents in order to defend themselves. So I think we have to make it clear to the Maliki government you do not have a blank check with an open commitment here.

MS. IFILL: You and the president don't agree on much when it comes to the war in Iraq, but you both do seem to agree that there should not be a deadline, a timetable set. Why not?

SEN. **CLINTON:** Well, I think the timetable still remains problematic. You know, make no mistake about it; I'm for getting our forces home as soon as possible. But I do believe we have vital national security interests in Iraq.

You know, Al Anbar Province is the hotbed for the Sunni insurgency and for al Qaeda in Iraq. They weren't there before; they're there now. And we do have an interest in preventing them from basically having a foothold similar to what the al Qaeda and Taliban forces had under Taliban protection in Afghanistan.

I do think we have an interest in protecting the Kurds and providing some, you know, security for them.

I think we have an interest in preventing Iran from crossing the border for, you know, making it very difficult for us to function more broadly in the region.

So when people talk about deadlines and taking all the American troops out, I understand completely that, if you look at the carnage that happens every single day, if you analyze the, frankly, resistance to cooperation that we've seen in this government, it would be easy to say forget it, let them fight it out. But we still have to be careful because we are now facing dangers from Iraq that we didn't face before that we have to figure out how to contain.

MS. IFILL: You don't make the liberals in your party very happy when you stop short of calling for withdrawal. How do you speak to them about that?

SEN. **CLINTON:** In a very forthright way. You know, I represent 19 million people, all of whom have an opinion.

But we are in a very dangerous part of the world, and we face ongoing dangers from those who are, you know, out to kill Americans and undermine our allies and friends. So what I want to do, if I could wave a magic wand, would be to have this administration follow a number of the recommendations from the Iraqi (sic) Study Group.

A year-and-a-half ago, the Democrats, under the leadership of Carl Levin and Jack Reed, put forth a detailed proposal about the other factors besides military that needed to be taken into account. And once again, under bipartisan leadership, we have a resolution that we hope will lead to a majority vote in the Senate disapproving the president's policy. But if you read the entire proposal, it has a lot of wisdom about what we should be doing right now.

MS. IFILL: There are those who say that your evolution on the war has been, number one, behind the public curve and -- of opinion and, number two, right in line with your thinking on presidential aspirations. Is that so?

SEN. **CLINTON:** Well, obviously, I don't believe so. What I've tried to do as a consistent critic of what they have done in Iraq is to search for common ground.

I mean, I know very well the extensive authority any president has, and certainly this president has pushed it to the limits and even beyond. I think it's fair to say that he's already deploying the troops that he has called for in his new policy of escalation.

MS. IFILL: So why would a troop cap work, if that's true?

SEN. **CLINTON:** Because eventually we'll be able to get there. You know, it takes years sometimes, unfortunately, to change public opinion, which now has changed. The election was very clear about that. But it also takes time to change and put political pressure on presidents. And this particular president is especially dug in on his policies.

So I think that what we're putting forth now -- and, frankly, what I supported a year-and-a-half ago on phased redeployment -- was what we should have been doing then. But that required engaging with the neighbors in the area, and we have a president who won't talk to bad people. I don't understand that policy. I find it shortsighted and contrary to America's interests at home and abroad. But that's where he is. We've called for that.

I certainly have advocated for a different course from very near the beginning of this action. I'm going to continue to advocate for a different course, but that's what elections are for.

MS. IFILL: Well, and speaking of elections, 2008 looms. And I wonder to the degree to which you feel pressure, when you talk about the political pressure being brought to bear on this debate, whether you feel pressure from other aspiring Democrats, like John Edwards and Barack Obama, who right after you released your proposal yesterday released an identical one?

SEN. **CLINTON:** Well, my view on this is I have to do what I believe is right and what I think is responsible. Others will do what they choose to do.

But I think that we're in a very dangerous situation. And we have empowered Iran. We have put the Sunni regimes in the area in a very difficult position. We see what's happened with the rise of Hezbollah and Hamas.

I don't think that, you know, rhetoric or political positioning is what is needed. I think that we have to work our way through this. I just met with a group of Iraqi war veterans in my office, about 10 of them, each of whom told me why they have come to a position of, you know, opposing this escalation and their own experiences in combat in Iraq. And they understand the complexity of this. They, like me, want to stop this escalation in order to get this president's attention to begin to do some things that he's refused to do up until now.

MS. IFILL: The next election has a lot to do with the speed and the path of this debate. Do you think that there's any connection at all between 2008 aspirations, you or anyone else, and where this debate's going to go about Iraq?

SEN. **CLINTON:** Well, I'll leave that to others to assess because I have been, as a member of the Senate Armed Services Committee, you know, deeply involved in trying to fix what has been a disastrous policy.

At the end of the day, the American people are going to be faced with some very tough judgments because, at the current course this president is pursuing, I'm afraid that the next president will inherit this situation, with all of its complexity and all of its heartbreak. And I believe that it's important that we try to forge a bipartisan consensus here in the Senate, disapproving this escalation as the very first step we take, and then move forward, using the appropriations process and the authorization process -- which is kind of, you know, congressional speak for trying to put some limits and force some changes on the administration.

And let's not kid ourselves; I think this administration is also focused on Iran. And I think we need to send a very strong message that an administration with its track record of failure, of arrogance, of refusal to listen and learn from the disastrous steps that have, unfortunately, been taken should not be rushing off and putting American, you know, service members in harm's way and possibly widening the conflict.

So there's a lot that we have to worry about.

MS. IFILL: Senator Clinton, thank you very much for joining us.

SEN. **CLINTON:** Thank you, Gwen.

"This Week at War," CNN, 1/20/2007

(BEGIN VIDEOTAPE)

ROBERTS: We're breaking away from the studio portion of our show for a segment out here to Scottsdale, Arizona, where our CNN warrior one Hummer is being auctioned off with the proceeds going to Fisher House because of some very big news that's breaking. Senator **Hillary Rodham Clinton** has announced she's forming an exploratory committee to examine a run for president. She made the announcement on her website.

SEN. **HILLARY RODHAM CLINTON** (D) NEW YORK: Let's talk about how to bring the right end to the war in Iraq and to restore respect for America around the world.

ROBERTS: Hillary Clinton made that announcement just days after returning from her third visit to Iraq. On Thursday she invited me over to her offices to talk about that. I asked her what her impressions of the war were this time around.

CLINTON: This time, there's been just a steady diet of bad news and setbacks, mistakes and problems and that was apparent. There is very little faith that this latest proposal by the president in and of itself, without all the other aspects of a comprehensive approach that many of us have advocated for, is likely to be successful. So as a result, many of us are trying to figure out how we can finally influence the president to change direction and choose a different course.

ROBERTS: You met with Nuri al Maliki, the prime minister. Do you have any faith that he is the guy who can bring Iraq back to a state of security?

CLINTON: I don't have any faith.

ROBERTS: No faith in al Maliki

CLINTON: Whether there's a gap between his intentions and his will and capacity is the real problem or whether he's doing what he intends to do, through mark time and further the, you know, the dominance of his sectarian supporters, it's hard to tell. So you know, there's a mixed message at best, and I think that's what the Bush administration has never come to grips with.

ROBERTS: The proposal that you articulated on Wednesday appears to really finally thread a needle here. You want to put a cap on the number of troops, but you're staying away from this issue of funding, which, if you were to run for president, could be something that comes back to haunt you.

CLINTON: Well, that's not the way I think about it. What I'm trying to do is to figure out what are our points of leverage on the Maliki government and frankly, on our own government. So what I try to do is to say look, let's not put more troops in. Let's cap the number of troops we have right now and let's begin the phased redeployment that I've called for, for more than a year and a half. At the same time, I am not prepared to vote to cut funding to American troops. So why don't we tell the Maliki regime that we will cut funding to their forces, including the private security forces that provide the security for members of that government, if they don't start demonstrating a willingness and a capacity to do what we all know needs to be done.

ROBERTS: The White House didn't like your plan very much. Here's what White House spokesman Tony Snow said about that on Wednesday.

TONY SNOW, WHITE HOUSE PRESS SECRETARY: It binds the hands of the commander in chief and also the generals and frankly also the troops on the ground, in terms of responding to situations and contingencies that may occur there. To tie one's hand in the time of war is a pretty extreme move.

ROBERTS: If you were commander in chief, would you accept this plan or would you feel it was tying your hands?

CLINTON: Other presidents have. You know, troop caps have been used, most recently in Colombia, where both the Democratic and Republican president have accepted limits on troops that could be sent to Colombia. I am not advocating a date certain and immediate withdrawal from Iraq. I certainly want to bring our troops home as soon as possible, but I accept the fact that we have vital national security interests in Iraq. So you know, I obviously believe that you know, there needs to be escape valves in proposals like this. Everybody who is reasonable assumes that. We're trying to get this president's attention. They have been impervious to evidence and the facts on the ground. It took years to, you know, finally get their attention, to even have them admit they've made mistakes.

ROBERTS: On the subject of mistakes, your 2002 vote to authorize the war, was that a mistake? Do you regret it?

CLINTON: I've said that I regret the way the president uses, used the authority that he was given, and certainly, if we knew then what we know now, there would never have been a vote and I wouldn't have voted for it. I take responsibility for that.

ROBERTS: Was it a mistake to vote for it? **CLINTON:** I know people are all hung up on the words here. I think it's very clear that, if we had known then what we know now, the president would never have been able to come to the Congress and ask for a vote. I believe that, you know, the case that was made then, which I saw as a way of checking Saddam Hussein, the sanctions regime was falling apart, putting inspectors in made sense. I said at the time I was not in favor of a pre-emptive war, and you know, I don't think you get do-overs in life. I think you take responsibility for the decisions that you make and you try to make the situation better, which is what I've been trying to do consistently.

ROBERTS: With respect, if there's a knock on you, it's that you're too cautious when it comes to the Iraq war that your positions appear more political than they do genuine.

CLINTON: Well, you know, I obviously don't think that's fair. I mean, I think there is a role for politics. That's what being in the Senate is all about, but I've been a consistent, persistent critic of the way this president has conducted the war, of his secretary of defense, of many of the decisions that have been made. I've tried to be responsible. I think that is important. It's very easy to engage in, you know, heated rhetoric and make all kinds of claims, but that's not me. That's not what I intend to do, regardless of what the politics might be. I'm going to say what I believe. I'm going to take the positions that I think are right at the time. I'm going to look for ways to try to make a bad situation better. I think that's the responsible course to take.

ROBERTS: Senator Hillary Clinton, just one of many voices rising in opposition to President Bush's new plan for Iraq as he prepares to give his state of the union address on Tuesday.

"Weekend All Things Considered," NPR, 1/21/2007

Mr. CHIVIAN: Hello, this is my friend Richard...

Senator **HILLARY RODHAM CLINTON** (Democrat, New York): Hi. How are you?

MARTIN: They've spotted Senator Hillary Clinton finishing up a breakfast meeting in a booth in the back. It's an opportunity the men can't pass up.

Senator **CLINTON:** Well, I have followed what you have done...

Mr. CIZIK: Thank you. Thank you.

Senator **CLINTON:** ...with admiration and interest.

Mr. CIZIK: Thank you.

Senator **CLINTON:** Yes, it's so exciting.

Mr. CIZIK: Well, we're counting on you to champion this. We know you will.

Senator **CLINTON:** I certainly will.

"ABC News Now/Special Report," ABC, 1/22/2007

(Voiceover) We wanna take you to a live event happening at Ground Zero here in New York City, where Senator **Hillary Rodham Clinton** and other New York politicians are calling for better health care treatment for 9/11 responders. Let's listen in.

SENATOR HILLARY **CLINTON** (DEMOCRAT, NEW YORK)

We now have Caesar's father, an NYPD officer at Mount Sinai Hospital, fighting for his life because of pulmonary fibrosis, a disease that we believe has already taken the lives of four

other NYPD officers. This is a call to action. I've spoken with the White House at length, encouraging them to put in to the President's budget money to continue the treatment program that has now started. Without the President's budget commitment, the program that is treating many of these victims will end. It will end this summer. The treatment that has finally begun will be stopped.

SENATOR HILLARY **CLINTON** (DEMOCRAT, NEW YORK)

So first and foremost, we have to have the money from the federal government to continue treating those who are now being treated. And then, we need the additional resources that I have asked with with my colleagues, Congressman Nadler, Congressman Maloney, Congressman Fossella, Senator Schumer, and others, that we establish a means of providing treatment for all of the victims going forward. I've introduced legislation with Senator Schumer and Senator Kennedy, who now chairs the committee, that this would go through, for one point, \$9 billion.

SENATOR HILLARY **CLINTON** (DEMOCRAT, NEW YORK)

That money would be used for the medical treatments that people like Caesar's father needs. In speaking with medical experts, it is absolutely clear that many of these victims will only survive if they are given lung transplants. And many of them become too sick with opportunistic infections to be able even to get the lung transplant. And so there is a lot of medical work, the prescriptions that are needed, to keep people going, the medical interventions that are required. I believe this is a moral responsibility of our nation. We owe it to these responders, the residents and others who were sickened because of the attack on our country. So we have a united New York team. We're going back to Washington.

SENATOR HILLARY **CLINTON** (DEMOCRAT, NEW YORK) (CONTINUED)

Many of the people you see, in addition to Joe and, and Caesar and John and Marvin and other victims, will be there, will be walking the halls of Congress, will be buttonholing members of Congress, both in the House and the Senate, will be doing more media down there because this is a crisis, and we need for the President to respond to help us. So I thank my colleagues once again, but particularly, I thank and salute all the advocates, all of the unions that made this happen. And I see representatives from so many of them, all of the residents groups that kept the fight going, all of the medical experts who have been treating the victims, and whose voices are now, you know, the ones that should be listened to.

SENATOR HILLARY **CLINTON** (DEMOCRAT, NEW YORK)

And we appeal to the city to end its resistance to taking care of people who took care of us. And we appeal to the federal government to provide the funding that is needed to make sure everyone of these men and women get the treatment they deserve to have. Thank you very much.

"CBS Evening News," CBS, 1/22/2007

Senator **HILLARY RODHAM CLINTON** (Democratic Presidential Candidate): Well, Katie, I am opposed to the escalation that the president has proposed. Unfortunately, the fact is he is carrying out the policy. He already had in motion the movement of troops into Iraq. What we're trying to do is send a bipartisan message, if possible, that we disapprove of this escalation, that we want to begin the phase redeployment that I've called for for more than a year and a half that we want to get our troops home as soon as possible.

COURIC: Let's talk about your candidacy. There are some people who say another Clinton administration, even if it's a different Clinton, will feel eerily like Groundhog Day. What would you say to them?

Sen. **CLINTON**: Well, I could go on for a long time about all the good things that were done for the country and America's position in the world during the eight years of my husband's administration. And I would like to get back to building on what works but recommending the kind of bold but practical changes like universal health care, like energy independence, that were not possible in the first Clinton administration.

COURIC: In fact, some might say, Senator, that was a disaster when you headed that very committee.

Sen. **CLINTON**: Well, some might say that we were not successful. And I'd be the first to say that. But who better to try to advocate than someone who's learned the lessons of how difficult it will be. Every day now we have business leaders and union leaders and other important representatives from different groups in our country coming forward and saying we've got to change. We've had Massachusetts, now California and other states stepping up. So I think the timing is right. And I, probably more than anybody, know how best to navigate the treacherous waters that lie ahead.

COURIC: Senator Clinton, even those who approve of you as a candidate have questions about your electability, some of those people. What would you say to them?

Sen. **CLINTON**: I would say, give me a chance. As a friend of mine said the other day, I'm the most famous woman that nobody really knows. Because I've been, you know, caricaturized to some extent. And I want to let people make their own decisions. And I think that I can do that as I have here in our state.

COURIC: And what would you say to those who feel Barack Obama is a breath of fresh air after nearly 20 years of Clintons and Bushes?

Sen. **CLINTON**: Well, there is no doubt. He's an extraordinarily talented person. And I'm pleased we have such a talented field. I think we're going to have a great debate. As I said when I launched on Saturday, let the conversation begin. Because I think through that conversation we'll be able to chart the best course for our country.

COURIC: Senator Hillary Clinton, thank you very much.

Sen. **CLINTON**: Thank you, Katie.

"NBC Nightly News," NBC, 1/22/2007

NBC News IN DEPTH tonight, a woman who lived in the White House for eight years. She is trying to become the second US president named Clinton. Earlier today New York senator and former first lady **Hillary Rodham Clinton** came here as part of a big media tour to talk about her announcement this weekend that she's in the race for president to win it.

This is not exactly how or when you planned to announce this. How else are you going to have to adjust to counter the presence of this Obama campaign, which is a surprise?

Senator **HILLARY RODHAM CLINTON**: Well, you know, Brian, this is exactly how I intended to do this. Once I made up my mind that I was going to contest for the presidential nomination of my party, I wanted to do it on the Web. I wanted to do it before the president's State of the Union, because I wanted to draw the contrast between what we've seen over the last six years and the kind of leadership and experience that I would bring to the office.

WILLIAMS: So you had always planned to announce before the president's State of the Union address?

Sen. **CLINTON**: That was our plan, yes.

WILLIAMS: What does the Obama factor do to the Clinton campaign?

Sen. **CLINTON**: Well, it makes everything even more exciting. I've been through presidential campaigns, and this is going to be one of the best we've had in a long time because there is no sitting vice president. There's no clear heir apparent. We have a terrific, talented field on the Democratic side, and obviously Barack is just a phenomenally accomplished senator and person who's going to be very effective, as are a number of my other competitors. I know everybody and they bring a lot of different skills and talents to this field, and I'm looking forward to the election.

WILLIAMS: Is it any kind of a burden for you, Senator, that so many opinions are pre-formed? Americans know **Hillary Rodham Clinton**.

Sen. **CLINTON**: Well, as someone close to me once said, I'm probably the most famous person you don't really know and I'm going to spend my time doing what I've done in New York, which is going and meeting with groups of people and talking about what I value, my background, my incredibly committed views about what we should be doing in our country, and let people make their own judgments. Because I heard the very same kinds of comments when I started running here in New York, that people, you know, thought they'd already made up their minds about me. And I just wanted a fair shot. I wanted people to judge me for who I really am and what I really believe, and I think I can do well if I get that opportunity.

WILLIAMS: Well, you're one of the few alive who has seen exactly the journey that is ahead of you. I don't know if that helps or hurts.

Sen. **CLINTON**: It helps a lot. I don't think I'll have too many surprises coming forward.

WILLIAMS: Our conversation in this room earlier with senator and now candidate **Hillary Rodham Clinton** earlier today.

When NBC NIGHTLY NEWS continues after another break, just when you thought it was safe to go back to your e-mail, spam has come roaring back and in a big way.

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS ON POST-9/11 HEALTH CARE, 1/22/2007

CLINTON: Thank you all.

This is an issue that demands attention from the president and the Congress now. We have worked for years to get the money we needed to provide the monitoring that gave us the data that we now are relying on to make the case that we have to provide treatment for all of the victims of 9/11.

Thousands and thousands of first responders, of residents and others were made sick because of this act of war, this attack upon our country.

You see some of them before you today. I spent, I guess, about an hour and a half with Joseph Zadroga, his wife Linda, and their beautiful little granddaughter Tylerann. We went over all of the anguish that their son James, an NYPD detective, faced when he became sick; the difficulty he had getting the city to accept responsibility for that illness.

We now have Cesar's father, an NYPD officer at Mount Sinai hospital, fighting for his life because of pulmonary fibrosis, a disease that we believe has already taken the lives of four other NYPD officers.

This is a call to action. I've spoken with the White House at length, encouraging them to put into the president's budget money to continue the treatment program that has now started.

Without the president's budget commitment, the program that is treating many of these victims will end. It will end this summer. The treatment that has finally begun will be stopped.

So, first and foremost, we have to have the money from the federal government to continue treating those who are now being treated. And then we need the additional resources that I have asked with with my colleagues -- Congressman Nadler, Congresswoman Maloney, Congressman Fossella, Senator Schumer and others -- that we establish a means of providing treatment for all of the victims going forward.

I've introduced legislation with Senator Schumer and Senator Kennedy -- who now chairs the committee that this would go through -- for \$1.9 billion. That money would be used for the medical treatments that people like Cesar's father need.

In speaking with medical experts, it is absolutely clear that many of these victims will only survive if they are given lung transplants. And many of them become too sick with opportunistic infections to be able, even, to get the lung transplant.

And so there is a lot of medical work; the prescriptions that are needed to keep people going; the medical interventions that are required.

I believe this is a moral responsibility of our nation. We owe it to these responders, the residents and others who were sickened because of the attack on our country.

So we have a united New York team. We're going back to Washington. Many of the people you see, in addition to Joe and Cesar and John and Marvin and other victims will be there; will be walking the halls of Congress; will be button-holing members of Congress, both in the House and the Senate; will be doing more media down there because this is a crisis. And we need for the president to respond to help us.

So I thank my colleagues once again. But particularly, I thank and salute all the advocates, all of the unions that made this happen -- and I see representatives from so many of them; all of the residents groups that kept the fight going; all of the medical experts who've been treating the victims and whose voices are now, you know, the ones that should be listened to.

And we appeal to the city to end its resistance to taking care of people who took care of us. And we appeal to the federal government to provide the funding that is needed to make sure every one of these men and women get the treatment they deserve to have.

Thank you very much.

(APPLAUSE)

END

"ABC News Now/Special Report," ABC, 1/23/2007

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

...places great importance on building up internal institutions and training to provide security. This escalation, despite the rhetoric about other goals, places primary emphasis on American military involvement not Iraqi institutions. The manual makes clear the interconnections of political and military progress that one cannot be achieved without the other. I've been quite gratified to hear all of the positive references to Bosnia in this hearing. I can remember very well in 2001 and 2002, hearing nothing but derision about nation building and about peacekeeping and about sufficient levels of force going in to back up whatever the political objectives might be.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

You will take on a difficult role in Iraq at a time peril based on your leadership and expertise. But what those of us who are issuing resolutions and statements of disapproval fear is that you - are being sent to administer a policy that frankly does not reflect your experience or advice, or the experience and advice of our most recent example in dealing with ethnic violence, namely, Bosnia. You wrote the book, General, but the policy is not by the book. And you are being asked to square the circle, to find a military solution to a political crisis.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

I, among others on this committee, have put forward ideas about disapproving the escalation not because we, in any way, embrace failure or defeat but because we are trying to get the attention of our government and the government of Iraq. On my recent trip to Iraq, along with Senator Bayh, our interaction with the Prime Minister and his team did not inspire confidence. What I, speaking for myself, am attempting to do is to send a very clear message to the Iraqi government that they cannot rely on the blood and treasure of America any longer, that we are not going to go into Baghdad and embed our young men and women in very dangerous neighborhoods where we cannot possibly provide force protection because they won't step up and do what everyone knows they must do for themselves.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK) (CONTINUED)

So I very sincerely but wholeheartedly disagree with those who are trying to once again up the rhetoric about our position in Iraq instead of taking a hard look about what will actually, on the ground, change the behavior and actions of this Iraqi government. In the absence of the kind of political full court press that we've put on in Bosnia, when I landed in (inaudible), I was briefed by Russians, French, Germans and Americans. We had an international force. We had an international commitment. We had brought people to the point where they understood that success there was essential to their national security. I see nothing coming from this administration that it is willing to pursue such a policy now.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

They won't talk to bad people, and it is bad people you talk to in order to try to further political goals, not your friends. They will not put the kind of pressure on a consistent basis on the government that is required in order to change their behavior. So I have said that, you know, I would never cut - money for our troops when they are in harm's way, but I sure would threaten to cut money for the Iraqi troops, and for the security for the Iraqi leadership. I don't know how else to get their attention. But one thing I'm particularly concerned about is the failure of security for our troops, the incident in Karbalah over the weekend is scary. It raises questions that we don't have answers to.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

So let me, beyond my statement of joining in the comments with Senator Collins, and rejecting those of our other friends on the panel who think that statements of disapproval are somehow going to undermine our effort when it think they will send the clearest message. We know this policy is going forward. We know the troops are moving. We know that we're not likely to stop this escalation. But we are gonna do everything we can to send

a message to our government and the Iraqi government that they had better change because the enemy we are confronting is adaptable. It is intelligent. It learns.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

It got a hold of our military uniforms, went through those gates after having cleared all those police checkpoints, killed five of our soldiers in a meeting, talking about security in Iraq. So I don't believe that we are playing with a team on the other side that understands the stakes as we describe them. So one thing I would ask, General, is please do everything you can to get additional security. The Humvees are turning into death traps as we see the sophistication of the IEDs. We don't have enough of the mine protection vehicles, and we haven't even ordered enough, and we haven't put them into the theater.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

If we're gonna put these soldiers and Marines into these very exposed positions, which this strategy calls for, please, come to us, ask for whatever you need to try to provide maximum protection. I disapprove of the policy. I think it is a dead-end. It continues the blank check. But if we're going to do it, then let's make sure we have every possible piece of equipment and resource necessary to protect these young men and women that we're asking to go out and put this policy forward when we're not doing the political side of the equation that is necessary to maximize the chance for their safety and success.

"The Early Show," CBS, 1/23/2007

SMITH: And as it happens we have the only woman who seems to be running for president right now with us in Washington.

Senator Clinton, good morning.

Senator **HILLARY RODHAM CLINTON** (Democratic Presidential Candidate): Hi, Harry.

SMITH: Let me start with this notion of electability...

Sen. **CLINTON**: Right.

SMITH: ...because Democrats seem to--your poll numbers with Democrats are really pretty good. They're not so good in the rest of the country among Independents and especially Republicans. And the Democrats are faced with a choice early next year with the caucuses and primaries. They have to find somebody who's electable to president. How do you change the minds of so many people who really don't like you?

Sen. **CLINTON**: (Laughing) What a way to start my morning!

SMITH: It's just the truth. You know that. You know what I'm talking about.

Sen. **CLINTON**: No, but, you know, I was told the same thing when I started running in New York.

SMITH: Right.

Sen. **CLINTON**: I was told that people didn't like me, they wouldn't vote for me and what I wanted there, and what I want here is just a chance.

SMITH: Hm.

Sen. **CLINTON**: For people to get to know me as I am, not as they may have heard about me from, you know, cable TV or radio or somewhere.

SMITH: Right. Yeah.

Sen. **CLINTON**: Because what I found in New York is that once I got out and showed people what my values are, what I stand for, what my work ethic is, the results I can get, I've brought along a lot of people, not only Democrats, but Independents and even some convinced Republicans.

SMITH: Can you break through, though? Because I've heard you talk on a couple of newscasts last night. You may be the most famous person you say that people don't really know.

Sen. **CLINTON**: Right.

SMITH: There's so--even watching you move about New York yesterday, there's this phalanx of press, there's press from around the world. Can you break through? Can you be able to sit in the living rooms of people in Iowa or in town meetings in New Hampshire and get your message across, past the press, past the preconceptions?

Sen. **CLINTON**: There's two ways I'm going to do it. One is the old-fashioned way of getting out there and going into living rooms and church basements and union halls and everywhere that I can, which again, I did in New York. After the press got, you know, a little bit bored and decided that they were going to go cover somebody else, I really did have that chance. And secondly, I am using the Web. You know, I started these webchats last night on hillaryclinton.com, and I'll have another one tonight at 7, and another one tomorrow at 7.

SMITH: Mm-hmm.

Sen. **CLINTON**: So the people can ask me the questions that are on their minds, and we got thousands of questions. And we tried to make sure that, you know, I'm communicating directly...

SMITH: Yeah.

Sen. **CLINTON**: ...in frankly, an unfiltered way, so that people can figure out whether they agree with me or don't agree with me. But I'm actually very encouraged by these numbers. You know, anybody who gets the nomination is going to end up with a high negative, because I've been around long enough to know how effective the other side is in, you know, characterizing, mischaracterizing people.

SMITH: Right.

Sen. **CLINTON:** We've seen that in the last two presidential elections. But what I think I bring to the table, in addition to my ideas and my experience, is that I'm battle-hardened. I've been there. I know how to overcome these kinds of political tactics.

SMITH: Which brings to mind Whitewater, Travelgate, the impeachment process. You were under the glare of the spotlight for eight years, and many of those days were--have to have been horrible. Why go back? Why go back into the middle of the white hot glare of that light?

Sen. **CLINTON:** You know, Harry, I think the country's turned a page on all of that, and I certainly have. I live, you know, in the present, looking toward the future.

SMITH: But you know people will bring--it will come back again and again.

Sen. **CLINTON:** Well that--they can do that if they want. But you know, I am very confident that people are more interested in looking toward the future. And you know, from my perspective, what I'm hearing when I go around talking to people is, you know, what is my plan of health care, for energy, for global climate change, for good jobs for people.

SMITH: Hm.

Sen. **CLINTON:** And I think on what really matters to voters...

SMITH: Right.

Sen. **CLINTON:** ...I'm going to be able to put forth my vision and persuade people to support me.

SMITH: The president is going to talk a lot about his domestic initiatives tonight. Is there anything you've heard in the last 24 hours that you think Democrats can work with the president on?

Sen. **CLINTON:** Well, from what I hear, at least he's going to be opening the door on health care and energy, which I'm thrilled about. I don't know that I will agree with his particulars, but the fact that the president's going to stand up and put forth a plan to try to help get everybody insured is a big step forward for this White House, and I want to be part of that solution. And the same on energy. Again, I don't think it will be bold enough, I don't think it will go far enough, but that's what the political process is supposed to do. He's opening the door, we've got our ideas in the Democratic Congress. Let's work together.

SMITH: And if the first primary in the country were held today, and it was between you and Barack Obama, why would people vote for you, or why should they?

Sen. **CLINTON:** Well that's what the campaign's going to be about and I'm going to be out there putting forth my ideas, my experience, my qualifications. And ultimately, it is up to the voters.

SMITH: All right. Senator Clinton, thank you so much. Do appreciate it.

Sen. **CLINTON:** Thanks, Harry.

SMITH: Let's go back to New York now. Russ has more news.

Good morning, Russ.

RUSS MITCHELL, anchor:

Good morning, Harry.

"Today," NBC, 1/23/2007

MS. VIEIRA: New York Senator and now presidential hopeful Hillary Clinton will be in the audience tonight as the president delivers that State of the Union address.

Senator Clinton, good morning to you.

SEN. **CLINTON:** Good morning, Meredith.

MS. VIEIRA: You just heard Tony Snow say that he does not believe that the public has stopped listening to the president. Do you agree with that?

SEN. **CLINTON:** Well, Meredith, based on everything that I hear, and people talk to me, there's a great discouragement about the president's leadership. And there is an openness in looking to see what the Democratic majority in Congress can do.

Obviously we have to work with the president because he has veto power. He has a lot of other residual powers that reside in the office. And that's what we should do. But we have to do it in a way that moves the progress forward for average Americans. And I'm looking forward to hearing what the president has to say.

You know, the leaks that have come out of the White House suggest to me that on health care and energy, two of the signature issues we have to address, it's not going to be as practical and hopeful as it's being advertised. And so we're going to have our work to do in Congress. But I'm looking forward to that work.

MS. VIEIRA: Senator, you would like to be the next president. As you said, you're in it, and you're in it to win. Let's talk about the good news and the bad news when it comes to our candidacy. The good news for you is that polling indicates that right now you are the favorite for the Democratic nomination.

The bad news is that many voters still have this very negative opinion of you, and some of the words that are used to describe you are not very kind. They're words like "strident," "cold," "scripted," "phony."

SEN. **CLINTON:** (Laughs.)

MS. VIEIRA: You're laughing at that. Advisers have said that they want to humanize you. Why do people seem to have that perception of you after knowing you for 15 years?

SEN. **CLINTON:** Well, Meredith, that's exactly what I ran into when I started campaigning in New York, the same kinds of attitudes and stereotypes. And what I've tried to do in New York and been very pleased that I could get such a great response from the people of my state was to say, "Look, here's who I really am. I may be the most famous person you really don't know. And at the end of getting to know me, draw your own conclusion. Don't draw it

from what you hear somebody say on, you know, radio or cable TV. Draw your own conclusion."

And that's why I'm engaged in this conversation. You know, I started last night on HillaryClinton.com a Web chat, and I'm going to continue to tonight and tomorrow at 7:00, because I want people, you know, to see me in an unfiltered way. That doesn't mean that, you know, 100 percent of the people who do are going to all of a sudden agree with me or, you know, want to vote for me. But I think I can slowly but surely open people's minds to listen to me and see me for who I am. And that's all I can ask for.

MS. VIEIRA: You know, in the end, candidates have to defend your record. And you are off to Iowa, where the former senator, John Edwards, is polling very well. And he has sort of positioned himself as the anti-war candidate. I'm envisioning the debate between the two of you when he turns to you and says, "I have repudiated my vote to go to war in Iraq. I've said it's a mistake, Senator. Why can't you say your vote was a mistake?" What will your response be?

SEN. **CLINTON:** Well, Meredith, I've taken responsibility for my vote. But I also, as a member of the United States Senate, have an obligation to try to figure out what we're going to try to do now. I'm not on the sidelines. I'm in the arena. I'm on the Senate Armed Services Committee.

You know, I look at those terrible death figures and injuries that our young men and women are suffering, and I'm trying to figure out what is the smart, right way to get us out of Iraq. How do we have a phased redeployment of our troops? How do we get this Iraqi government to do what we've been, you know, expecting and asking them to do? How do we get the neighborhood and the countries involved so they can help us?

So, you know, I have taken responsibility. I've asked that the president take responsibility. And I think when I talk with people, what everyone I talk with is focused on is not looking backwards, but what do we do now, and how do we save American lives, save Iraqi lives, have whatever success can come out of this terrible situation? And that's what I'm focused on trying to achieve.

MS. VIEIRA: But people also look for a consistent record. When you say you've taken responsibility, Senator, once again, is that the same thing as saying, "I made a mistake by voting for the war"?

SEN. **CLINTON:** You know, I -- you know, it's interesting to me how clear I've been that what I said repeatedly was that we were not conducting this in a very effective way. I've been one of the most consistent and persistent critics.

I've also made it very clear that if we had known then what we know now, there would never have been a vote and I never would have voted for it. But from my perspective, you know, you don't get do-overs in life. I have tried to be a constructive contributor to getting us in a better position than we are now so that we could begin to withdraw our troops the right way, protect them, do whatever we can to help stabilize Iraq. And I do believe we still have national interests in Iraq, particularly when it comes to al Qaeda in Iraq.

You know, as a senator from New York, maybe I have a different attitude than some people, but I was at Ground Zero again yesterday, and there are lots of bad folks out there who want to kill us. And our job is to try to prevent that from happening, despite the mistakes made by everybody in the pursuit of this policy since 2002.

MS. VIEIRA: Senator Clinton, your husband said last night that he will do whatever he's asked to do when it comes to your campaign. What do you want him to do?

SEN. **CLINTON:** Well, he's been my greatest supporter and most effective counselor, and he will continue to do that. But obviously he's a tremendous asset because he knows what the job is like. He had great success on a number of difficult fronts when he was president. He's also now extremely involved in activities around the world through his foundation. And through that he understands what America has to do to regain our leadership and the respect of the world so that we can make better decisions. So I'm going to be looking to him for a lot of advice and guidance.

MS. VIEIRA: All right, Senator Hillary Clinton, thank you very much for your time this morning.

SEN. **CLINTON:** Thank you.

"Good Morning America," ABC, 1/23/2007

MS. SAWYER: Senator Clinton, good morning, and an official welcome to the campaign trail.

SEN. **CLINTON:** Oh, thank you, Diane.

MS. SAWYER: Let us begin with the issue that overwhelmingly Americans say is the central issue on their minds. And, of course, that is Iraq. Tonight the president's going to speak. He has said -- this is his rallying cry, and it's simple -- "We will prevail." In a simple sentence, what is your rallying cry? We will what?

SEN. **CLINTON:** We will protect American interests and American servicemembers, and do our best to give Iraq a stable and secure future. And earlier, the president had made these same claims time and time again.

MS. SAWYER: A question about something you put online yesterday in one of your conversations online. It was pretty emphatic: "I certainly wouldn't have voted to authorize the war, knowing what I know now." The president has admitted some mistakes in Iraq. Is that your biggest mistake as senator?

SEN. **CLINTON:** Well, I think giving the president the authority has turned out to be a terrible decision for everyone, including the president.

MS. SAWYER: A couple of quick questions about the campaign. It was almost 15 years ago now that another candidate had something to say while running for office, and he was saying it about you. We're going to play it.

PRESIDENT BILL **CLINTON**: (From videotape.) Our life is very much a partnership. Our public endeavors we do in common. And I always say that my slogan might well be "buy one, get one free."

MS. SAWYER: Is that your slogan this time around -- buy one, get one free?

SEN. **CLINTON**: (Laughs.) Well, I'm certainly going to count on his advice and his experience, not only here at home with the great progress that were made on some many important issues when he was president, but also what he knows about the world in which we find ourselves today. And I'm very grateful to have his stanch support and his good advice going forward.

MS. SAWYER: So buy one, get one free, still serves?

SEN. **CLINTON**: (Laughs.) Well, I wouldn't say it quite like that. You know, I'm running to be the president, to make the decisions. But I'm going to be reaching out to as many people who can help us get our country back on the right track.

MS. SAWYER: Yesterday, talking about Barack Obama, when asked specifically if he is qualified to be commander in chief, to be president, you didn't answer. You said, "I'm going to let the American people decide." You know the office. You know him. Why not say?

SEN. **CLINTON**: Well, you know, Diane, we have a terrific, talented group of people running for the nomination on our side, and he certainly is one of them, and has a lot to contribute to this campaign. But at the end of the day, because I've been around so much and I have watched as voters weigh how serious a decision it is to decide who will be president and commander in chief, I think it is for the voters to determine.

And that's what the campaign will be about. The campaign will test us all. The campaign will, you know, come at us in unexpected ways. And how people respond and what they have to say and what their values are all will come out in the campaign. So I think it is properly --

MS. SAWYER: So does it imply --

SEN. **CLINTON**: -- left to the voters.

MS. SAWYER: Does it imply you doubt it?

SEN. **CLINTON**: I have no opinion one way or the other. We're all in this to demonstrate as clearly as we can that we're ready for the most important and difficult job in the world. I think I may have a bit of an inside track in understanding just how difficult it is, and especially what our next president will inherit, which unfortunately is going to be just a terrible amount of difficulty here at home and abroad. So I'm going to go forward with, you know, my qualifications, my ideas, and I expect to be judged as I expect all the rest of our candidates to be judged.

MS. SAWYER: One final question, about Chelsea. What's the most interesting thing she said to you about your decision to do this?

SEN. **CLINTON:** (Laughs.) Well, you know, I would never share that. You know, I'm very grateful for her support and her good counsel.

MS. SAWYER: And will she be out on the campaign trail with you?

SEN. **CLINTON:** Well, she's pretty busy. She's got a life and a job of her own. And you know, I'm going to be out there on my own talking about what I want to do because that's who I'm asking people to vote for. And I hope I'm successful in making that case.

MS. SAWYER: Senator Clinton, thanks so much. Come back soon.

SEN. **CLINTON:** Thanks a lot, Diane.

"Countdown with Keith Olbermann," MSNBC, 1/23/2007

(Begin videotaped segment.)

MR. OLBERMANN: Thank you for some of your time, first of all.

SEN. **CLINTON:** I'm happy to be here with you.

MR. OLBERMANN: Let me start in the immediate future. What, if anything, could the president of the United States say during the State of the Union tonight that would cause you to stand up and applaud and cheer?

SEN. **CLINTON:** Well, it would be great if he said, "You know, I've changed my mind about the escalation of troops going into Iraq." I'd love to hear him put forth a real energy policy, not just nibbling around the edges, that would deal with our security and our economic problems with the way we get energy today, as well as global climate change.

I know he's going to talk about health care. I'm anxious to hear that, because anything that moves us toward universal coverage is something that I'm going to look at seriously.

But I also hope that he will genuinely reach out to the new Democratic majority and say, "Look, you know, we've got two years left in my term and I want to make a difference, and let's work together."

MR. OLBERMANN: Do you think he's grasped the actual nature of bipartisanship to this point? Is there evidence to you that that is the case?

SEN. **CLINTON:** You know, Keith, I think his idea of bipartisanship and mine are pretty different. I mean, his idea is "I'm going to tell you what to do; come join me." That's not the way the political process does work or should work.

If he genuinely is open and not just going through the motions, I think he'll find a lot of us who are receptive in the Senate, because we have such a narrow majority, we have to find common ground. And I'd like to see if we could do that.

MR. OLBERMANN: You mentioned the health care issue likely to come up in the speech. The early indications about that are that it would -- whatever would be provided for people would be taken out of hospital budgets, out of public hospital budgets. That can't sit well with you.

SEN. **CLINTON**: It certainly doesn't. And if that's truly what the plan is going to be -- because, you know, that's kind of the budgetary implications; I don't think he'll say tonight, "I'm going to try to rob Peter to pay Paul," but if he is going after hospital budgets, you know, that's going to be a serious problem for those of us who care about having a safety system that is going to be there for everybody who needs a hospital.

There are other ways of doing this, and I think we can work together to try to find them.

MR. OLBERMANN: If you were president today, as opposed to January 2009, what would you do, as we finish this interview, about Iraq?

SEN. **CLINTON**: Well, I would certainly call off any escalation of troops. I would immediately begin the kind of diplomatic and political engagement that a lot of us have recommended over a number of years, and most recently the Iraq Study Group.

I would make it clear to the Maliki government and all of the parties in Iraq that they had to come to some resolution of the issues that are still outstanding. And I would send the toughest, meanest presidential envoy to sit there and make it happen.

You know, we have some record of success with that. We were able to, on a smaller scale but still a lethal conflict, work out some accommodation among the parties in the Balkans. And it took a lot of American leadership and it took us sending troops. We've never had the proportionate number of troops committed under this president to Iraq that we did when we went into Bosnia. So we've not done this in the right way from the very beginning.

But we do still have some dangerous problems that could come from Iraq, like al Qaeda in Iraq is determined to kill Americans. They've had the unfortunate success this weekend of killing the third-highest number of Americans ever to die on a single day.

So I want to get our troops out of harm's way. I want to move them to positions where they can deal with al Qaeda, who's our principal enemy, where we can make sure that the Iranians aren't crossing the border when we're trying to have some kind of political diplomatic engagement.

But you've got to put a lot more effort into this. There is no military solution. There are political resolutions that could be reached through the hard, slow, frustrating work of diplomacy.

MR. OLBERMANN: And that presumably would involve other nations. You mentioned the Balkans. You mentioned the Iraq Study Group. Would you reach out immediately to the Syrians and the Iranians, even with the tensions between this country and Iran?

SEN. **CLINTON:** Absolutely. I don't see it as a sign of weakness. I see it as a sign of strength. You know, our president will not talk to people he considers bad. Well, there are a lot of bad actors in the world, and you don't make peace with your friends. You've got to deal with your enemies, your opponents, people whose interests diverge from yours.

Right now we're flying blind when it comes to Iran. We don't have good intelligence about Iran, about what their real motivations are, who's calling the shots; the same with Syria. And I would immediately open a diplomatic track. And I don't think we would lose. In fact, I think we would gain insight.

I mean, if we have to take a firm stand against Iran to prevent it from obtaining nuclear weapons, let's get more information before we do that. Let's figure out, you know, what levers of power in their society we might be able to pull and push.

MR. OLBERMANN: Richard Clarke said on this newscast last night that the administration, current administration, has operated without any intelligence for the last few years. I thought it was quite a double entendre, on this subject especially.

SEN. **CLINTON:** Well, I'm afraid that Richard Clarke is right, and he would certainly know that. You know, we've done this on a variety of fronts. Look at what's happening in Latin America, where we are seeing anti-American regimes gain ground. You know, we don't engage with bad guys so we don't engage with, you know, Chavez and try to, you know, see if there's any way to pull him back or at least prevent others from following his lead.

We have all kinds of issues with Pakistan and Afghanistan. I came back from my most recent trip and urged the White House to appoint a high-level presidential envoy. Both of the leaders, President Karzai, President Musharraf, said that their relations are deteriorating. That's bad for us.

You know, but if we had somebody there who could help to resolve these differences and get over some of the problems that they have, you know, that would enhance Afghan security. It would, you know, give Musharraf a stronger hand to deal with his internal problems. And it would give us a better way to make sure that the Taliban offensive that's going to happen in the spring isn't successful.

(Announcements.)

MR. OLBERMANN: Senator, back to Iraq, and this pertains to the presidential candidacy. How would you answer people who approach this and say, "I could not possibly vote for anyone who, no matter how misled they might have been, no matter how misled the country might have been, voted in any way to authorize what has happened in Iraq"? How would you answer that?

SEN. **CLINTON:** Well, I understand that. And, in fact, I had a lot of conversations just along those lines in my last election in New York. Nobody is more heartsick about the policy in Iraq than I am. I am just, you know, devastated at the incompetence and arrogance of the administration in pursuing this policy based on the authority that I and others granted the president.

I regret the way he's used that authority. And I think you don't get do-overs in life, and I've tried to take responsibility for, you know, my actions in the Senate. And I've been a very persistent and consistent critic of the actions that the administration has taken.

But we are where we are right now. American soldiers and Marines are dying. The Iraqi government is on the brink of falling apart. We've got Iran and Syria gaining on us. We've got the Kurds trying to figure out which way they're going to go, and we need to be very conscious of, you know, the impact that could have on our strong NATO ally, Turkey. We've got al Qaeda in Iraq looking for a base to launch all kinds of terrible actions against us.

So, you know, I just think that when you're in the arena -- and as I have said before, I'm kind of cursed with the responsibility gene. I'm trying to figure out what is best for us to do. And I know clearly that this escalation is wrong, and I wish that we could come up with the president listening and taking a different course. But right now I see no evidence that he will do that.

MR. OLBERMANN: You mentioned the word responsibility. You mentioned the word regret. So much of politics, so much of political coverage now, is about individual words and people who will not use individual words or will. The president was hard-pressed to find, in a period of four years, anything that he viewed as a mistake in his presidency.

Would you apply the word mistake to your vote to authorize the war in Iraq?

SEN. **CLINTON:** Well, I think many of us know very well that if we knew then what we know now, there never would have been a vote. And I certainly wouldn't have voted to give the president authority.

At the time, though -- and this is something that people are, you know, so upset about that they don't even want to think about -- you know, putting inspectors in and containing Saddam Hussein was not a bad strategy. It just turned into a disaster because of the way Bush misused the authority that he was given.

So clearly I think that there have been a lot of mistakes made by everybody, including those of us in the Congress.

MR. OLBERMANN: All right, the New Hampshire primary; a year from right now we will just be getting the results --

SEN. **CLINTON:** (Laughs.)

MR. OLBERMANN: -- of the New Hampshire primary. So how can you and Senator Obama and Senator Edwards and Governor Vilsack and Governor Richardson, and everybody else who's considering or has considered or will run for the Democratic nomination, maintain and survive --

SEN. **CLINTON:** (Laughs.)

MR. OLBERMANN: -- a campaign of that length, to say nothing of the American people? How do we do this?

SEN. **CLINTON:** Well, I wish there were a limit on our campaign time. I like what some of the European countries do, where, you know, there's a starting and an end date, and everybody works like crazy in the middle.

You know, I think it's kind of strange that we started so soon. You know, my husband got into the presidential campaign of '92 in October of '91. So, you know, my experience is a little different. But I don't know whether it's the 24/7 news cycle, Keith. I don't know whether it's the pent-up desire on the part of Democrats to be done with President Bush -- (laughs) -- even though he's going to be president for two more years. I don't know all the factors at work. But clearly this is off to a very fast start.

And pacing yourself, being able to do what you have to do to get into those living rooms and those church basements and those union halls and those diners and, you know, communicate across the Web like, you know, I'm trying to do with my Web chats on, you know, HillaryClinton.com, all of that, you know, I just feel like you've got to play the hand you're dealt. And in this election cycle, clearly we're off to a fast start. I believe that I would be the best candidate, so I've got to get out there and make the case to the voters.

MR. OLBERMANN: All right, let me close where we began, with the State of the Union address. What, in your opinion, is, as of right now, the state of the Union?

SEN. **CLINTON:** Troubled, anxious, insecure, disheartened. You know, there are some people who are doing extremely well, but the middle-class squeeze is real. There's a lot of anxiety among the people that I represent and talk to about how they're going to afford everything from health care to education for their kids, whether their job is going to be there, whether they're going to have that pension that they think they've worked for their entire life.

You know, on these Web chats that I've been having, you know -- another one tonight at 7:00, another one tomorrow at 7:00 on HillaryClinton.com -- I keep hearing that. People say, "I'm a 55-year-old woman. I've worked all my life. I've got no retirement security." Or "I don't see how I'm going to be able to health care." Or "How am I going to be able to send my children to college?"

You know, the American dream needs to be renewed. And we can do that if we turn our attention to the building blocks that made the American middle class possible. I mean, I'm a product of that. I came out of a family that, you know, worked its way up and gave me all of these opportunities.

But I feel as though we're stagnant now. If you look at productivity, it's up. If you look at corporate profits, you know, they're up. If you look at income, it's pretty stagnant. And we've got to get back to the American promise that I was raised with and give it back to people so that they can make a better life for themselves and their children.

"MSNBC Special," MSNBC, 1/23/2007

MR. MATTHEWS: We're joined right now by the junior senator from New York, Senator Hillary Clinton, and she's, of course, the Democratic candidate -- or a Democratic candidate for president.

Senator Clinton, let me ask you about the president tonight. Do you think he's sincere when he calls for bipartisan action on a number of these issues?

SEN. **CLINTON:** Well, I think the jury is out, Chris. I'm not quite sure. We have six years of experience that suggest that that's not their favored means of getting anything done. But I'm open to it, and I think all of the Democrats are. He mentioned a few issues, like energy independence and health care, where we are eager to work towards some kind of bipartisan result.

So let's see what happens. I mean, the proof is in the pudding. We'll see whether his speech tonight is followed up by any specific actions and the kind of outreach that should be undertaken.

MR. MATTHEWS: Back when you were working so hard on health care back in the '90s, in the early '90s --

SEN. **CLINTON:** (Laughs.)

MR. MATTHEWS: -- and you really thought you could get some kind of compromise at the end, I believe, and a word came from the ideologues on the right, "Kill this baby in its bassinet. Do not let them get a compromised health care bill that they can get credit for" -- do you still feel the sting of that strategy on the other side?

SEN. **CLINTON:** You know, I really don't. I regret that we've lost all this time in trying to deal with a problem that affects our economy, that undermines our productivity and makes us less competitive than we would be otherwise. So I think we really missed the opportunity to take care of the problem that health care financing poses.

But you know, I'm a realist, and I get up every day and try to figure out what we're going to get done today to move the ball forward. So I'm ready to, you know, work with anybody. I'm not interested in scoring partisan or ideological points on some imaginary board in the sky. Let's try to get something done.

I have too many people I represent right now, Chris, who are struggling because they don't have health care.

We've got more than 46 million Americans, 9 million children. You know, let's put down the ideological battle ground and once again try to find some common ground.

MR. OLBERMAN: Senator, when we spoke this morning, I asked you what might be said in this speech that would get you to stand up and cheer and applaud for the president. You mentioned health care. He discussed health care. You suggested he should reach out to the Democrats and actually go for genuine bipartisanship. There were words to that effect. As you point out, how sincere they are will only be told by a time. A real energy policy. There were hints at an energy policy.

But the last point that you made -- or the first point you actually made was a changing of the mind on troop escalation would have been the thing that would have easily brought you to your feet. We did not get that. Iraq did not come in till well over 3,000 words had been spoken in this speech in a backwards kind of way, in an unexpected kind of way.

Did the president not spend enough time talking about Iraq tonight?

SEN. **CLINTON:** Well actually, Keith, I think he made his whole defense of Iraq because he started by linking it to the war on terror, which all of us support. And I have been, you know, adamant that we have to be more effective and smarter in going after the bad guys who are after us. And he certainly tried to once again summon the Congress and the country to see his version of reality. I don't think it's going to sell. I think that a majority of Democrats and a sizable number of Republicans are turning against this policy of escalation not because we don't want to fight the war on terror -- in fact, we want to fight it smarter and better -- but because it is only a slice of a strategy.

Where is the internationalization of this problem, the regional conference, the reaching out to the neighbors? Where is the continual pressure on the Iraqi government to deal with the political and economic problems they face?

You know, when I returned from Iraq and Afghanistan a week ago, I said: Look, I'm against this troop escalation. Let's see if we can't put some pressure on the Iraqi government to start doing the things all of us know need to be done in order for there to be some kind of political resolution, since we know there is no military solution.

MR. MATTHEWS: What do you think, Senator, of the fact that the president's decided to go down to Williamsburg in a week or so and actually join the House -- you're laughing. Okay, this is a personal question. Would you accept an invitation if the Republicans invited you to their retreat?

SEN. **CLINTON:** Absolutely, in a New York minute, Chris. I think it's a great invitation. I'm glad the president accepted.

You know, some of these things may be ritualistic. You know that. You've been in this town a lot longer than I have.

But I think it also does at least show respect for the process.

We need to get back to working with each other and, you know, pursuing some common means toward getting results for our constituents and our country. So I'm glad that the president was invited, and I'm delighted that he's going.

MR. MATTHEWS: You think you can retell those Republicans into voting for you?

SEN. **CLINTON:** (Laughs.) Well, I got some of them in New York. I'd like to figure out if I could get a few more.

MR. MATTHEWS: I knew you'd break. By the way, wasn't that great about Wesley Autrey tonight? Wasn't he great?

SEN. **CLINTON**: I loved it. We were really thrilled that he was there. And what a terrific guy he is. I'm very proud of him as a New Yorker.

MR. MATTHEWS: God, America's proud of the guy. Humanity's proud of the guy.

MR. OLBERMANN: Mm-hmm.

SEN. **CLINTON**: That's exactly right.

MR. MATTHEWS: It's so great to have you on, Senator. Thank you very much, Senator Hillary Clinton of New York.

SEN. **CLINTON**: Thank you.

"Countdown," MSNBC, 1/24/2007

(BEGIN VIDEOTAPE)

SEN. HILLARY **CLINTON** (D), NEW YORK: I believe that I would be the best candidate. So I've got to get out there and make the case to the voters.

OLBERMANN: Right. To that point, with the fullest possible respect, what qualifies you to be president of the United States? What, if you could pick and could only show to the voters one element of your resume, would you say, "This is it, this why"?

CLINTON: Well, I think my service in the Senate and as first lady in the White House, the combination. Obviously, I have a lifetime of experience that I'll be sharing with the voters on a range of issues and causes that I've been involved in.

But having seen what happens a White House when you face difficult decisions, understanding how to structure it, how to work with the Congress, how to take your message not only to our country, but to world and then now having been in the Senate, and having been reelected based on my record in the Senate, I feel confident that I would be able to work with the Congress.

And I think that, you know, presidents who come in oftentimes, you know, try to make it us versus them. That doesn't work. You've got to enlist the Congress in your own party, as well as the other party, and really find common ground in order to make progress in America.

Our political system is set up in a way to be cumbersome and difficult. And, you know, most of the time that's OK, because we don't have a president who basically runs over everybody, as we've had this last six years. We have someone who will respect the balance of power and the constitutional separation of powers. And I think I could understand how to make progress on these big issues we face.

OLBERMANN: But having spent eight years in the White House under the conditions in which you and your husband spent them, that's a reason to want to go back to the White House?

(LAUGHTER)

CLINTON: It is for me. It is for me because, you know, I was very, very proud of the record that the president left at the end of two terms. And then I saw this president come in and basically undo everything that had been done, whether it was good for the country or not. I think we should build on the progress of the past.

Obviously, we have new challenges. It's the 21st century. But to squander the budget deficit, to squander the good will of the world after 9/11, to launch a preemptive war, which I said at the time I was against, all that has just caused us so many difficult challenges.

And on top of that, to fail to meet the other problems we confront, the health care and education and energy and environmental, all of those issues. We've lost time. We've lost six years because we haven't had the leadership that we need from the White House.

So, maybe because I have seen it in a very up close and personal way, and now on the other end of Pennsylvania, I've served in the Senate and I understand how difficult it is to work that body and get people on your side.

I feel like I'm really prepared to do what is going to be needed, starting in January, 2009, to get back on the right track in our country.

OLBERMANN: What role will the former president play in your campaign between now and January, 2009?

CLINTON: Well, he will remain my staunchest supporter and greatest adviser. And you know, as the campaign progresses I'm sure we will be involved in it. But I'm running on my own. And I bear the extra challenge of being the first, you know, woman in a long time to try. And I intend to go all the way, so that will make history as well. And he will be there helping and supporting me.

OLBERMANN: Would he be in the administration?

CLINTON: You know, I think it is smart to use former presidents.

(LAUGHTER)

CLINTON: I think that, you know, when this president asked Bill and his father to work on important issues like the tsunami and Katrina, it sent a great message to the world. And, you know, just to add, look at the difference that what we did tsunami as headed by Bill and former President Bush made, you know, the popularity of America went up in the countries where they went and, you know, shared the commitment that America had to helping people recover.

You know, we can do a lot more. And someone, you know, like my husband would be a tremendous ambassador for our country. And so I expect I will be reaching out to former presidents.

OLBERMANN: The Internet roll-out of your campaign seems to have been a very intriguing one. Many people have used the Internet before. Senator Obama made his announcement in that way. But with the Internet chats, with this direct kind of approach, are you even taking

this another level past what might be the Internet establishment -- if there is such a thing that - - the blogosphere?

Are you sort of setting up on your own, using the technology, and really trying to get unfiltered, even by the people who think they are unfiltered on the net?

CLINTON: I`m going to use every aspect of the Internet. But clearly I want to be able to communicate directly to people. I found, when I started running in New York, that many people had opinions about me that were quite, you know, unusual and I had to overcome those.

And when you would ask somebody, well, where did you hear that? It was, well, you know, one of your competitors, for example. And I just feel that if I can communicate directly -- I`m not expecting, you know, a hundred percent of the people to agree with me or like me, any of that -- but at least I will have a fighting chance to be heard and to be assessed on my own merits. And that is what I`m looking for.

But I`m also going to participate in everything else that the Internet -- that the cyber world we live in today has to offer.

OLBERMANN: Senator, our greatest thanks for your time.

CLINTON: Thank you. Good to be with you.

(END VIDEOTAPE)

“Anderson Cooper 360,” CNN, 1/29/2007

ANDERSON COOPER, CNN ANCHOR: Good evening, everyone.

Senator John McCain said it best today. Americans disagree about the war, but not about the troops. And you can see that sentiment all around me tonight, in bricks and mortar, help and hope.

We're inside the newly dedicated Center for the Intrepid at the Brooke Army Medical Center here in San Antonio, Texas. This is a state-of-the-art rehab facility for troops recovering from amputations and burns and other serious injuries. This is a privately funded addition, along with two new homes for visiting relatives nearby, Fisher Houses, they are called.

More than 600,000 Americans made this center possible. Their donations, some \$50 million in all, were recognized today by a parade of leaders and lawmakers and celebrities.

But, frankly, the true celebrities were the service members themselves. The facility includes exercise equipment, a running track, a climbing wall, and some truly 21st century tools to help the wounded get to the point where running laps and climbing walls is a possibility again.

We're going to have a lot from this center tonight. Sadly, in Iraq, the fighting and the dying goes on, at least two more soldiers killed over the weekend. Their chopper went down during a pitched battle near Najaf -- U.S. and Iraqi forces on one side, a cult-like band of mostly Shia militants on the other, apparently trying to slaughter clerics, in order to bring the return of their savior.

Reports are, as many as 200 insurgents were killed in the fighting. And that battle raised warning flags here at home. Why, for example, did Iraqi forces need so much American help? What does it say about President Bush's faith in his new plan or in Iraq's prime minister, Nouri al-Maliki?

Senators Hillary Clinton and John McCain came for the dedication here in San Antonio today.

This afternoon, they sat down with me.

I began by asking each about what happened in Najaf.

(BEGIN VIDEOTAPE)

COOPER: This weekend, there was big -- a big attack in -- in Najaf. How do you read that? What -- what does that tell you about the situation in Iraq?

SEN. JOHN MCCAIN (R), ARIZONA: I'm not sure exactly how to read it.

It shows, I think, that they are capable of assembling hundreds of insurgents. I think it is also good that we attack them before they orchestrate an attack, in other words, as a preemptive strike, which means that our intelligence may be getting better. But I -- all of us know that, are familiar with it, that this is very long and very difficult.

COOPER: What is your take on what happened this weekend in -- in Najaf, some 200 insurgents killed, seemed to be hundreds of insurgents involved in a mass operation?

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Anderson, I think there are hundreds and thousands of insurgents who are willing to fight us and engage in sectarian warfare in Iraq.

One of the reasons I oppose the escalation is that I don't believe that, you know, putting more American troops into Baghdad is going to really stem this insurgency. The Iraqis have to do it themselves. And, unfortunately, they have been given an open-ended commitment.

That's why I have called for capping troops and putting more pressure on the Iraqi government to begin to take the actions we expect them to take on their own behalf.

(END VIDEOTAPE)

COOPER: And that is the question, of course. Can Prime Minister Nouri al-Maliki deliver? Can he be trusted?

Again, Senators McCain and Clinton:

(BEGIN VIDEOTAPE)

COOPER: Do you trust al-Maliki? Vice President Cheney said that he -- he did.

MCCAIN: I don't think he's been strong.

I have been disappointed in some of his decisions, such as the release of people we had captured, the lifting of the checkpoints around Sadr City at one point. I think he is showing some signs of improvement. And I -- we will know. Again, the -- now, I'm not sure how quickly we are going to know whether we are winning militarily, but I think we will know fairly soon, in the next several months, whether the government, the Iraqi government, is doing what's necessary.

Passing a law on the oil revenues, provincial elections, there are several things that are -- that are going to have to happen.

COOPER: Vice President Cheney said last week to Wolf Blitzer he -- he trusts al-Maliki.

Do you?

CLINTON: No.

(LAUGHTER)

CLINTON: But I also don't trust Vice President Cheney. So, I really think it's fair to say his assessments have been wrong consistently.

He has been unwilling to deal in a straightforward, factual-based way with a lot of what's been going on. He continues to make assertions that have no foundation in fact, in reality. I don't think the American people are listening to him any longer.

COOPER: Senator Durbin called him delusional.

CLINTON: Well, I'm not going to...

COOPER: Do you think he's delusional?

CLINTON: I'm not going to, you know, put labels on it.

But I am going to say that his efforts to continue to put the best face on what they have so terribly mismanaged in Iraq no longer has any credibility attached to it.

(END VIDEOTAPE)

COOPER: You are going to hear from both senators more -- a lot, in fact -- in this next hour ahead.

But, first, a hero's story. Like so many soldiers and Marines wounded in Iraq, he survived injuries that might have been fatal in past wars. Combat medicine has improved to the point that more than 90 percent of the wounded now survive.

They survive, though, to fight the toughest battle of their lives. Well, you ought to stay right here. Some of what you will see tonight may be tough to watch.

Senator McCain had an answer for that today. He said -- and I quote -- "We can only offer you our humility," he said of the wounded. He went on to say, "If it is hard to look at for some people, this is what we have done to scores of young men. So, pay attention."

(BEGIN VIDEOTAPE)

COOPER (voice-over): For Master Sergeant Daniel Robles, life has become a series of before-and-afters, before and after the attack, before and after he was again able to walk on his own.

MASTER SERGEANT DANIEL ROBLES, U.S. ARMY: I was able to stand up. And it just, like -- you know, just you showed me that this is the -- right now, the sky is the limit. You know, you just got to work at it.

COOPER: It's been nearly 10 months since Sergeant Robles' Humvee was hit by an IED, a roadside bomb, in Baghdad. Shrapnel ripped through the vehicle, shredding and badly burning both his legs.

ROBLES: I kind of looked down at my leg and seen that the -- that it was inside out, pretty much. And I kind of realized what had happened. I just remember thinking that I didn't want to die, and all I only wanted to do was see my family again.

UNIDENTIFIED FEMALE: Whoa.

(LAUGHTER)

COOPER: Doctors were forced to amputate both his legs below the knee. His future, at first, seemed only dark. And, yet, Master Sergeant Robles says his family kept him going. He also says the staff here at the Brooke Army Medical Center would not let him quit.

ROBLES: I remember being in the hospital some days, you know, and just hitting rock bottom, you know, thinking that all I was going to be able to do was lay in bed and look at the clock on the wall.

And, you know, the people here, the therapists and everybody, they didn't let me sit there and do that.

LIEUTENANT COLONEL JENNIFER MENETREZ, U.S. ARMY PHYSICIAN: We don't dwell, necessarily, on what is gone, what's not there anymore. It's what we can do, what they can still do. And we have to maximize that by whatever means.

COOPER (on camera): The doctors here at the Brooke Army Medical Center have cared for more than 2,400 service members from Iraq and Afghanistan. Most have either severe burns or multiple amputations.

Many of these service members would not have survived their injuries even 10 years ago. But, thanks to advances with battlefield medicine, they are able to make it home alive, but with life-altering injuries.

(voice-over): As a survivor, Sergeant Nathan Reed considers himself lucky. He was searching a car at a Baghdad checkpoint, when a bomb exploded, ripping through his right leg. It was amputated above the knee.

SERGEANT NATHAN REED, U.S. ARMY: Oh, it really hurt me, in a sense, because I felt like my family and my soldiers needed me to be at 100 percent. So, hearing the fact that I had to have my leg amputated kind of took a lot out of me.

COOPER: But, with physical therapists here and a new prosthetic leg, Sergeant Reed now walks, bikes, even runs. His family stayed at one of the Fisher Houses on base during his recovery. And, like many wounded soldiers, he has decided to stay in the Army.

REED: For me, it just made me stronger and made me want to complete my goal even more.

COOPER: As for Sergeant Robles, he also wants to stay on active duty, possibly becoming an instructor at the new rehabilitation security on base, the Center for the Intrepid.

On Sunday, he was honored with a Bronze Star and a Purple Heart. He also got his wish.

GENERAL RICHARD CODY, U.S. ARMY VICE CHIEF OF STAFF: Master Sergeant Daniel Robles, who has lost his leg in combat, has asked to stay in the Army.

You have my commitment, as vice chief of staff of the Army, that we will keep you in the Army as long as you want to stay.

All right?

(CHEERING AND APPLAUSE)

COOPER: For all that's happened, Robles says he's not bitter. He's simply thankful to be alive.

ROBLES: Consider the alternative. At least I'm here. I get to see my family grow. You know, it's nobody's fault. It's just something that happened. It's war.

UNIDENTIFIED FEMALE: Go fast, daddy.

ROBLES: Yes.

COOPER: A war that has left more than 23,000 service members wounded, men and women who will need this country's care for years to come.

(END VIDEOTAPE)

COOPER: Two American heroes.

The number is only climbing, of course.

One more note on Fisher House, where Sergeant Reed's wife, Belinda (ph), stayed during his rehab: Two more were dedicated today, making four Fisher Houses here at this facility, homes away from home, literally, so that family members, already with enough to worry about, don't also have to worry about finding or paying for someplace to stay.

There are hundreds of amputee veterans returning home. Here's the "Raw Data."

We called the Pentagon, and here's what they told us. As of last month, amputations have been performed on 839 deployed troops. Seven hundred and thirty-one were from the war in

Iraq. Of those, 480 service members suffered a major limb amputation. And the military defines that as losing a hand or an arm, a foot or a leg. The sad fact is, they will not be the last. Patients arrive here every day. It is a fact of war. There are allegations tonight that our leaders and lawmakers did not see it coming, that they treated their sacred duty to America's wounded as if it were business as usual.

(BEGIN VIDEOTAPE)

COOPER (voice-over): Senator Clinton on supporting wounded troops.

(on camera): I want to read you something Paul Begala was quoted as saying. He said, "It's an obscenity that a government that can find billions in no-bid contracts for Halliburton and billions in tax cuts for the wealthy cannot find a few million dollars to bind up the wounds of its heroes."

CLINTON: And I say, amen. You know, there's no oversight, no accountability. It's the first time we have had a war where, literally, the government has been given a blank check and the Congress didn't do its job.

COOPER: But she's in Congress, too. So, how does she plan to be part of the solution, not the problem? -- ahead on 360, "The Toughest Battle: Healing Heroes."

(END VIDEOTAPE)

(BEGIN VIDEO CLIP)

COOPER: This is a shooting simulator. It's a high-tech way for soldiers who have been given prosthetic limbs to relearn how to shoot using these specially adapted rifles.

CAPTAIN SCOTT KULLA, U.S. ARMY: This is an M-4. It's the same thing they're using out on the front lines. As a person gets prepared to engage the targets...

COOPER: Right.

KULLA: ... I would give the commands from the chamber to lock and load and prepare to watch the scenario.

COOPER: OK.

KULLA: As they watch the scenario, they have to then pick out from the crowd who the shooter is...

COOPER: Mm-hmm.

KULLA: ... and who the next viable target is. And, as they do, they would draw on this weapon.

There you go. (END VIDEO CLIP)

COOPER: Just one of the many high-tech rehabilitation tools here at the Center for the Intrepid. It really is a remarkable facility. It cost some \$50 million, all of it from private

donations, some 600,000 Americans giving what they could, some schoolkids giving \$1 here or there, other corporations giving, obviously, much larger sums.

As we said, Senator Hillary Clinton took part in today's dedication ceremony for the Center for the Intrepid. This -- this state-of-the art facility that is a reminder, really, that more than 22,000 Americans have been wounded in Iraq, many of them severely.

Senator Clinton is, of course, running for president in 2008.

And, yesterday, at a town hall meeting in Iowa, she stepped up her criticism of President Bush.

Take a look.

(BEGIN VIDEO CLIP)

CLINTON: This was his decision to go to war. He went with an ill-conceived plan and an incompetently executed strategy. And we should expect him to extricate our country from this before he leaves office.

(APPLAUSE)

(END VIDEO CLIP)

COOPER: Well, Senator Clinton didn't mince words yesterday. And she didn't hold back today either when we talked.

More now from my interview with her, starting with the dedication ceremony earlier today.

(BEGIN VIDEOTAPE)

COOPER: How moving was it for you to be here today?

CLINTON: Well, it was extremely moving, because we had several hundred wounded warriors from Iraq and Afghanistan who were really not only part of the ceremony, but the reason we are here.

This Center for the Intrepid is going to provide the highest rehabilitation services available, really, anywhere in the world, to our young men and women who have been wounded and come here to do everything they can to heal, regain as much mobility they can, and -- and lead as productive a life as they can.

COOPER: The center cost \$50 million, raised by private funds, American citizens, some giving \$1 here or there, others, large donations, this Fisher House also by private funds.

It says a lot about the American people. What does it say, though, about the American government? Why -- why are private funds needed to build a hospital like this?

CLINTON: That's a really good question, Anderson.

Obviously, we are unique in America, because we have the partnership between our government and our citizens, unlike anyone anywhere in the world. And we do meet needs that are not going to be met.

But this doesn't relieve the government of responsibility for doing everything we can to fund the VA, to make sure that, you know, every VA in the country is ready to prepare, welcome with the services that are necessary. So, one of the reasons why I fight so hard to get the VA funded is because that is a national obligation.

COOPER: You said this weekend the president is responsible to extricate the U.S. from Iraq before he leaves office. You said it would be irresponsible for him not to.

Do you mean that U.S. troops should be pulled out of Iraq by the time the next administration comes into power?

CLINTON: Well, what I mean is that it is the height of responsibility. For the president to say, as he said on several occasions, he is going to leave this to his successor -- this is his war. He conceived it poorly. He executed it incompetently. He's pursuing a strategy that is really more of the same.

COOPER: But using the word extricate, does that mean that you think U.S. troops should be out?

CLINTON: Well, you know, it's problematic to set a deadline. But I would like to see a process. I would like to see a strategy that is moving toward us beginning to move our troops, as I have called for, for more than a year-and-a-half.

COOPER: You have called for now a cap on the -- the number of troops, I think, the cap from January 1. Senator Obama called for a cap from January 10. Critics say, if -- if you believe that there haven't been enough troops heretofore, what does capping the number of troops do?

CLINTON: Well, the cap is meant to send a signal to the president, as is our efforts to get a resolution of disapproval, that he no longer has political support in the country and the Congress for pursuing this policy.

The cap is to literally cap the number of troops, so that we can begin, you know, redeploying them out of Iraq. And we have got to start somewhere. And this gives us a -- a way of making the argument that this president should not be adding troops. He should begin subtracting troops.

COOPER: Critics say, the signal that a cap and that this nonbinding resolution would send is a mixed signal to U.S. troops. Senator McCain says, whether or not it emboldens the enemy or not, it sends a mixed signal to American forces. **CLINTON:** Well, I respectfully disagree with that.

You know, I have spoken with a lot of our young men and women in uniform, and talked to a lot of them here today. The ones who have been there, they have been in battle. They have been wounded, many of them. They have seen the difficulties of trying to work with the Iraqis, who have not yet decided that they want to, you know, live in a peaceful, secure state, with everybody having a role and rights within it. What I hear is very different from what.

COOPER: The other criticism that's made -- Senator McCain made it today -- is that what you're not addressing is what happens when the U.S. redeploys or pulls out. If there is a genocidal bloodletting in Iraq, what then?

CLINTON: Well, this is a -- kind of a curious argument, because we need a comprehensive strategy.

Everyone that I know of who has studied this believes there is no military solution. There has to be a political component and an international component. I see very little evidence that the administration is making progress pushing the Iraqi government on the political front.

So, I don't see how we can expect just putting more troops in to really get us where we can avoid any kind of bad outcome, because we are not on a path to achieve that. We need to put more pressure on the Iraqi government, which is why I have said, if we are going to cut troops' funding, let's cut the funding for the Iraqi troops, or threaten to do so, to get their attention focused on what they have to do.

And, finally, we have to have an international process that looks at how to prevent what's happening in Iraq from spilling over. That means not only bringing the countries together that we already have relations with and we are engaged with, but it means being engaged with countries that our president will not engage with.

You know, I don't understand this philosophy that you don't talk to bad guys. You know, we talked to the Soviet Union all during the Cold War. I think you have to engage with people who are your enemies, or your potential adversaries, in order to figure out what's on their mind.

COOPER: The president has said he looked in Vladimir -- Vladimir Putin's eyes, saw his soul. He has -- he has said al-Maliki is a stand-up guy; he's -- he's taken the measure of the man.

Do you think the president is a good judge of character?

CLINTON: I think the president has made a lot mistakes, and his judgment in the undertaking in Iraq, certainly, has not been borne out.

Obviously, he's also not brought the world together. We were united after 9/11. We have lost that unity. So, I regret deeply that he continues to go down the course that he has set, when there seems to be not only very little support left for it, but very little chance of it being a successful strategy.

COOPER: Final question, which again is on this point with Iran: Today, the president told NPR, "If Iran escalates its military actions in Iraq, to the detriment of our troops and/or innocent Iraqi people, we will respond firmly."

CLINTON: Well, you know, we are playing a very dangerous game of chicken here.

For domestic political consumption, the Iranians believe that they can, you know, continue to be belligerent and make outrageous claims against Israel, the United States, interfere with what's going on in Iraq.

We are standing back here, you know, threatening and pointing fingers. And I think we are hearing a lot of the same rhetoric we heard before the president's decision to launch a preemptive war in Iraq.

COOPER: Do you think this president is preparing the ground for some sort of military action against Iran?

CLINTON: I don't -- I don't know. I don't know. I think that we in the Congress are going to have a lot of questions about that.

(END VIDEOTAPE)

COOPER: I also sat down with Senator John McCain, who has a very different view of how long American troops should remain in Iraq. What does he really think about the advice President Bush is getting from Vice President Dick Cheney? My interview with Senator McCain -- next on 360.

(BEGIN VIDEO CLIP)

MCCAIN: The war in which you have fought has divided the American people. But it has divided no American in their admiration for you and from our obligation to you. We all honor you.

(APPLAUSE)

"American Morning," CNN, 1/29/2007

M. O'BRIEN: Presidential politics now. The first voting may be a year away, but the candidates are campaigning hard, jockeying for attention and money. Or at least most of them.

The **Hillary Rodham Clinton** campaign descended on Iowa over the weekend, and the former first lady drew huge crowds and at least one big laugh.

CNN's Candy Crowley is on the trail.

(BEGIN VIDEOTAPE)

CANDY CROWLEY, CNN SR. POLITICAL CORRESPONDENT (voice over): Giuliani courts New Hampshire. Richardson worked Reno. Kucinich takes his heart to San Francisco. And former governor Mike Huckabee joins the Republican roster.

The '08s were out in force this weekend, but the greatest of forces was a Hillary-fest in Iowa.

SEN. **HILLARY RODHAM CLINTON** (D), NEW YORK: Woe. Thank you.

CROWLEY: Election eve-size coverage and standing-room-only crowds, mostly adoring crowds with the occasional tough question: How, she was asked, having voted for the war does she propose to end it?

CLINTON: The president has said this is going to be left to his successor, and I think it's the height of irresponsibility, and I really resent it. This was his decision to go to war. He went with an ill-conceived plan and an incompetently-executed strategy, and we should expect him to extricate our country from this before he leaves office.

(APPLAUSE)

CROWLEY: From the theaters, to the banners, to the lighting, this is a campaign in full swing, where celebrity status brings in the crowds and little is left to chance. All of which makes one odd moment all the odder. The question was about her ability to stand up to dictators.

CLINTON: And in the gentleman's words, we face a lot of evil men. You know? People like Osama bin Laden comes to mind. And what in my background equips me to deal with evil and bad men?

CROWLEY: Why were they laughing, and what did she have in mind? She bristled at the suggestion it was her husband.

CLINTON: I thought I was funny. You know, you guys keep telling me, lighten up, be funny. You know, I get a little funny and now I'm being psychoanalyzed.

CROWLEY: Whatever, mostly this was a flawless maiden voyage for the senator from New York.

CLINTON: Thank you all very much.

REMARKS BY SENATOR HILLARY RODHAM CLINTON AT A TOWN HALL MEETING, 1/29/2007

LOCATION: EAST HIGH SCHOOL COMMUNITY CENTER, DES MOINES, IOWA

SEN. **CLINTON:** Thank you everyone. (Cheers, applause.)

Well, I'm Hillary Clinton. (Laughter, applause.) And I am so happy to be here in Iowa, to be here and part of this extraordinary experience that we're blessed to have -- our American democracy -- and it starts right here in Iowa. (Cheers, applause.) And I'm running for president and I'm in it to win it! (Cheers, applause.)

And I intend to do it the old-fashioned way. I intend to come and talk with you and listen to you in your living rooms, and your church basements, and your union halls -- wherever you gather -- because I want to have a conversation about the future of our country. And I want to share with you my ideas, my vision, but I want to hear from you what you think we should be doing. I want to have this as a one-on-one conversation -- just you and me and about several hundred national press people. (Laughter.) But I have to tell you, that will fade and we'll actually be able to pursue this conversation in a very personal way.

You know, I'm running for president because I want to renew the promise of America. (Applause.) And being here at this great historic high school -- (cheers, applause) -- with your principal -- Mike, thank you for being here and being so helpful. (Applause.) I also want to thank East High Activities Coordinator Sharon Link, who worked really hard to make this happen. (Cheers, applause.) I want to thank the East High School Jazz Band under the direction of Chris Strohmaier. (Cheers, applause.) And the East High School 2006-2007 Color Guard under the direction of Michelle Eggleston (sp). (Applause.)

You know, when I saw those young women bringing forth our flag, it always has the same effect on me. You know, we have so much to be proud of. We have the greatest country in the world. (Applause.) We are so blessed, but we cannot take that for granted and I fear that that's what's been happening. We have been reversing the progress that so many of us have enjoyed.

You know, I'm a middle-class family in the middle of America. I was born in Chicago. (Cheers, applause.) I was raised in a suburb and my dad was a World War II vet -- like some of you who are here today. And he believed in the basic bargain that American offered: You work hard, you play by the rules, you do what you can to further your own life -- your country's going to be on your side. Your country's going to stand with you, back you up, and you'll be able to provide a better future for your children. I mean, that's the way I was raised. I was raised to believe in that basic bargain, to believe in that promise.

And I don't think that I need to tell you that it seems as though some in power in our country have forgotten that. (Applause.) That indeed, they seem to have overlooked the historical fact that America is great because we have provided opportunity for everyone, because we created the American middle class, out of which many of us came and still are proudly a part of, because we understood that, with all due respect, there are rich people everywhere in the world, aren't there? And unfortunately, there are poor people anywhere in the world. What is unique about America is that we've created this phenomenon where the vast majority of us had a chance to live far beyond the dreams and hopes of our parents or our grandparents.

And now I see that at risk. I see that the promise of America is being undermined by bad decisions coming out of our government, by an ideology that disregards what it takes to provide the building blocks for families and hardworking individuals to feel as though they can have a better future for themselves and their children. You know, all you have to do is look at the headlines today. You know, CEO pay is skyrocketing to what I consider outrageous levels. (Applause.) Corporate profits are increasing. (Applause.) And productivity is up -- what's productivity? That's how hard the American worker works, and nobody works harder than American workers. We are the hardest working people in the world! (Applause.)

And yet, what's wrong with this picture? Wages aren't up. Income's not up. I'll tell you what is up: health care costs are up. (Applause.) Education costs are up. Energy costs are up. There's something wrong when you have more bankruptcies in America last year than college graduates. There's something wrong when hardworking people can't get the health care that they and their children need. (Applause.)

Now, I have worked my entire life on behalf of children and families, on behalf of women around the world as well as here at home. (Cheers, applause.) And I believe that I have a

lifetime of experiences -- as well as qualifications from all the work that I've done -- that make me particularly well prepared to take office in January 2009. (Applause.)

Now, I know there are people who either say or wonder, would we ever elect a woman president? (Cheers, applause.) And you know, I don't think we'll know until we try. (Laughter.) And I'm going to try and with your help, I think we can do it! (Cheers, applause.) You know, but it is not just about breaking an historic barrier like that -- although that's what Americans are good at. We are good at breaking barriers and going places where nobody's ever gone before, and I want to see us get back to doing that. This is about figuring out what we're going to do together, because it's not only about leadership. We need strong leadership and smart solutions to deal with our problems, but we also need good citizenship. We need people who are willing to roll up their sleeves and work with us.

You know, when I was talking with Mike and some of the teachers before I came in -- we have to have a partnership. The schools can't do it on their own. We've got to help by getting families focused on what they can do to prepare their children for school. (Applause.) And you know, when you think about health care, the doctors and the nurses can't do it all by themselves. We've got to take better care of ourselves. We have to be more focused on staying well and preventing illness and disease. (Applause.) And you know, when you think about energy, we desperately need an energy policy that'll move us toward independence, but it's going to require that we change some of our habits. (Applause.) You know, I believe that we've got to be more conservation minded, more efficient. So this is the great partnership that exists in America between our government and our citizens. And we need to get back to that, because frankly, the conversation coming from Washington the last six years has been pretty one sided. It's all been in one direction. (Applause.)

So I am so excited about this campaign. I am looking forward to it. I'm delighted that my friend and colleague, Congressman Boswell, could be here with me today, because we go way back. (Applause.) But I just want to pledge to you that I will be here over and over again trying to meet with as many people as possible. You may not always agree with me. We may not, you know, see the world exactly the same, but I will tell you what I think. I will take your questions. I will try to figure out what we can do to find common ground and move forward together.

I really think our country is at a turning point. You know, we had a great run of it in the 20th century. Nobody could out compete us, nobody had a higher standard of living or quality of life, but we're in a new world now and we have not adjusted to that new competition. And I have been to some of the countries that are competing with us and I think we've got to do a much better job of being ready to get out there and win in the global economy. And that means we cannot cede advantage to our competitors. We have to be stronger here at home. And that means we've got to be willing -- (applause) -- to enforce trade agreements, to put labor and environmental standards in them, to make it clear to countries that take advantage of our markets that we're not going to be patsies any longer. (Applause.) We're going to stand up for America! (Applause.)

So when people tell me, well, you know, I don't think a woman can be elected president, I say, well, I don't believe that, but we're going to find out. And when people tell me, you know, I don't think America can really face up to its problems, deal with this new global

environment, make the hard decisions, I say, don't you count us out. We may not have had good leadership the last six years, but we are still the best, most able can-do country in the world! (Cheers, applause.)

So thank you for being here and packing this gymnasium. I stopped at the overflow room in another gymnasium and the principal told me there were 1,000 people there and I was so sorry they couldn't get in here, but we would have to layer people on top of you and I didn't think that was a good idea. But thank you for being here. And now let the conversation begin! And I welcome your questions on issues that are on your mind.

Thank you all so much for being here! (Applause.) Thank you all. Thank you.

I'll try to get to as many questions as I can. I'll try and do it on a 360-degree circle here so I don't leave people out. Let me start right there -- and I think we have a microphone, because it'll be hard otherwise to hear.

Hello?

Q Hi. Great. Thank you.

Good afternoon, Senator Clinton, and thank you so much for being here. We are thrilled. I am so excited that there is a female candidate running for president in the White House. And it's about time, if not past time, that we had a woman president in the White House.

SEN. **CLINTON:** Thank you. (Cheers, applause.)

Q The 43 people, though, that have had your job before you -- your future job -- have all been men. And my question is, how is your campaign prepared to tackle that issue? Thank you.

SEN. **CLINTON:** Well, it is a fact that our political system has been dominated, until recently, by men and by white men. But over the time of the last 50 years, look at what's happened: We've had an increase in political participation and people running for office from different ethnic and racial groups, and certainly from women.

We now have 16 women in the United States Senate. (Cheers, applause.) And we work together, we support each other. We don't always agree, because we come from different places in the country. We have different political points of view.

But those 16 of us that are there today are as many as have ever served previously, because there have only been 32. So you see, we're at a point where the numbers are increasing. And think of what it felt like when you saw Nancy Pelosi become the speaker of the House of Representatives. (Cheers, applause.)

Now I don't think I'm the only woman here who feels that sometimes you have to work even harder, right? (Applause.) And I am prepared to do that. I will work as hard as I can in this campaign. But let's remember the most important thing is what happens in January 2009. The campaign has to be a beginning that leads to an agenda that can bring a majority of Americans together so that I can make the tough decisions we're going to confront, because I fear that our current president and vice president are going to leave a pretty big whole to be dug out of. (Applause.)

And so -- oh, I expect they'll probably be more stories about my clothes and hair than some of the people running against me. (Laughter.) And I just have accepted that. (Applause.) And you know, there may be some other kind of funny stories about differences between us, or -- you know, a little bit of the double standard, but I just reject that. You know, I think we've got to move beyond that. I am going to be asking people to vote for me based on my entire life and experience. The fact that I'm a woman, the fact that I'm a mom, is part of who I am. But I'm going to ask people to vote for the person they believe will be the best president for the United States of America. (Applause, cheers.)

Q Go girl!

SEN. **CLINTON:** (Laughs.) Go with me! (Laughs.)

Q Hi. I'm Alan Coswell (sp) and I'm a local physician and also the state president of the American Diabetes Association here. And diabetes and obesity is the fastest growing cost increase in our health care costs. There's two questions I have, both related to this. What are you going to do about getting universal health insurance? And secondly, what are you going to do about the crisis in obesity and diabetes in the United States?

SEN. **CLINTON:** Doctor, those are great questions. Thank you. (Applause.)

I am committed to universal health care coverage. (Applause, cheers.) And I believe -- I believe that we finally are creating a consensus in our country for that goal. You know, I remember all too well back to '93 and '94 -- (laughter) -- and I understand how hard it is. But I think we as a nation now have so many more years of experience.

The problems we were trying to address back then are still with us -- in fact, they're worse. We have even more uninsured Americans. We have more and more businesses feeling under tremendous global competitive pressure and are cutting back and even cutting out health care. We continue to spend more than any other country in the world -- you know, we spend 16 percent of our entire national income on health care. The next highest spending country -- either Canada or Switzerland -- spends about 11 percent of their income. That's an \$800 billion difference.

And yet when you look at quality indicators from around the world, we often don't do the best job. Diabetes is a perfect example of that because our patchwork of systems is a system for sickness, not for wellness. (Applause.)

And so with respect -- with respect to diabetes, which is a very fast-growing cost in our health care system -- last time I looked, I think 20 percent of our Medicaid costs -- every dollar spent on Medicaid -- 20 percent is related to diabetes. Think about that. And what the doctor is attempting to cope with is the fact that an insurance company is unlikely to pay for the preventive maintenance care of someone with diabetes. It's hard to get an insurance company to pay for that visit to the podiatrist or to the nutritionist. (Applause.) But they will pay if you have to have your foot amputate. I mean, our -- the incentives in our system are upside down and backwards. (Applause.)

So part of what -- part of what we have to do is bring everybody together. We need our doctors, our nurses, our hospital administrators, we need our employers, we need our faith community, we need public officials -- we need everybody to face up to the fact that we are

having a crisis in our health care system. It is not going to get better unless we act. And we have to cover everybody, we have to improve quality, and we have to contain costs so that the money can be better directed.

So I'm going to start by introducing legislation to insure every child. (Applause.) That is what I think we have to begin with. (Applause.) When I was in the White House, I worked to help craft the Children's Health Insurance Program, and it has worked extremely well. But now the administration has begun to cut it back and children are losing coverage, and we have chronically ill children who are really facing some tough decisions that are terrible choices for them and their caregivers.

So I think if we can start with this Congress and this president to insure children, that would be a good beginning. Then I want to build on that and I want to, as part of our conversation across Iowa, talk to you about ideas I have and hear from you, because there are several ideas that I think would work. And I've been very pleased to see states moving in that direction and have bipartisan support for reforms, which we really need. So I'm going to come forward with some ideas, but I want to hear from you.

But I want to point out someone who is very precious to me and who really embodies this debate for me. Back in 1994, I was at an event talking about health care and especially talking about the terrible expenses and consequences families with seriously ill children face. I've done a lot of work in children's hospitals; I've been on the board of a children's hospital; I gave all the money I made from "It Takes a Village" to children's hospitals and children's charities -- (applause) -- and so for me this is intensely personal.

So I was at this event and I was talking, Doctor, about everything we needed to do to try to reform health care. And there was this young boy just smiling at me. I mean, his smile lit up the whole room. And so at the end of it he -- I came over toward him, he put his hands up, and I reached down to lift him up, and he was in a body cast. And that's how I met Ryan Moore (sp).

Ryan was born with a rare form of dwarfism, and he and his family faced unbelievable medical expenses. And I have stayed in touch with Ryan and his mom Marla (sp) and his father Brian and their family -- his brother Caden (sp) is here today. They live in Nebraska. They live in South Sioux City, Nebraska. And I wrote about Ryan in my book, "Living History," because he just won my heart. And Ryan's here with me today, and I'm so proud, because his family was able, with terrible effort and with lots of obstacles from insurance companies, to give Ryan the medical care he needed, and he and his mom have stayed in touch with me. And Ryan is now at the University of South Dakota, where, I might add, he is a 4.0 student. (Applause.)

You know, so for me, this is not about abstractions. This is not about some debate that takes place somewhere else. This is about Ryan. This is about the many, many children and adults whom I know personally.

My office in the Senate -- we handle so many cases because somebody has a sick child or a sick relative and the insurance company won't pay for the treatment that they need. There was a man who called my office a few years ago and he was from up in the north country -- I'm going to talk to you all about New York sometime, too, because guess what -- there are farms in New York and small towns and villages. And so I got a call from this gentleman up

in what we call the north country, and he told me about his son who was in desperate need of a certain operation. The insurance company said no. So we went to bat for him and we got him the permission to have the operation. But you know, as happy as I was to be able to take care of him, I thought, what a sad commentary that you have to go to a senator of the United States to get the treatment that you need for your child. We're going to change that. We're going to have universal health care. We're going to deal with obesity and with diabetes. (Cheers, applause.)

How about back here? We have to pass the mike back a little bit.

Q Hello? Yeah. Mrs. -- Ms. Clinton.

SEN. **CLINTON:** Yes, sir.

Q Very nice to see you.

SEN. **CLINTON:** Nice to see you.

Q I wish you luck. My name is John Berry (sp). I was a veteran in the first war. And I understand with these 21,000 or 22,000, do you know if there will be any more or will we be able to kind of curve this war? I was there -- I mean, I wasn't there at 9/11, but I saw it on TV like most people.

SEN. **CLINTON:** Right.

Q And so I guess that's all I have for my question. And by the way, we as America love you and I think you look very nice. (Cheers, applause.)

SEN. **CLINTON:** Thank you! (Laughs.) Thank you. Thank you so much for your service. I really appreciate it. (Applause.) Thank you. Thank you.

We are going to have to fund our VA health care system to take care of our veterans. There is no ifs, ands or buts about it. (Applause.) And you know, I was in one of our military hospitals just about two weeks ago, and I was talking to a lot of the doctors and the nurses that were taking care of our wounded heroes coming back from Iraq, Afghanistan and elsewhere, and they get great care. And when they get to the VA system now, the care is so much better than it was. I'm very proud of the work that was done during the Clinton administration to improve the VA system. (Applause.)

But we have had to fight every year to keep it funded. You know, it just defies my understanding how we could have taken a balanced budget and a surplus that this president inherited in 2001 -- (applause) -- I mean, we've squandered it. We have squandered it. We haven't met the challenges that we face and the responsibilities we have, such as taking care of our veterans. So I can pledge to you that I will continue to fight for the next two years in the Senate to fund our VA system, to make sure we don't close hospitals and clinics that are needed by our returning vets. And I hope we'll get to a point when I'm president where we can have guaranteed funding for our VA system and we don't have to fight for the dollars that are needed to take care of the people who are taking care of us. (Applause.)

Q I've got your book, "It Takes a Village." I had the first copy and I bought this one recently. It's delicious.

SEN. **CLINTON:** Thank you. (Laughs.) Thank you so --

Q Will you autograph it for me?

SEN. **CLINTON:** I will certainly autograph it after we're finished. You just -- you stay around. I will autograph it.

Q Hillary!

SEN. **CLINTON:** Yes, up there. One of the folks up in the bleachers.

Q Hello!

SEN. **CLINTON:** Hi.

Q I'm from Chicago! (Applause.) I was born on the south side, grew up in the north suburbs. I have a friend of mine went to high school with you and slept over with you at sleepovers. (Laughter.) Yeah.

SEN. **CLINTON:** Well, I hope she doesn't talk too much. (Laughter.)

Q I don't think she ever put your underwear in the freezer.

SEN. **CLINTON:** (Laughs.)

Q Aside from that, Senator Clinton, I'm a teacher.

And -- (applause) -- I've really become an Iowan. I came to Iowa to get a teaching job because when I started, there were a lot of teachers out there. So I came to Iowa to get my job. Unfortunately, we are losing teachers. One, because of pay. Iowa -- I am very proud to be a teacher -- this is my 30th year, and I do teach raging, pubescent, hormonal individuals. (Laughter.) They are 8th graders, 7th graders, and the hard thing is, I am going through menopause. (Laughter.) But I love them.

My concern is that Iowa -- we have such a wonderful record with our education. But yet, our pay for teachers ranks very, very low. And when I see that our young men are being sent to Iraq, and all that money going over there, I think about, as you mentioned earlier, Senator, it takes a village to raise the child. But if we don't have the money, how do we build that village to raise the child? (Applause.)

SEN. **CLINTON:** Excellent. Excellent point. Well, first, let me thank you for your years of teaching, and let me thank all of the teachers and the -- (applause) -- you know, administrators, educators who are here. I know how dependent I have always been on my teachers. I mean, I can go back and talk about every one of the teachers I had, starting in kindergarten, what they did for me and how fortunate I was to have such high-quality committed teachers.

And you make three points that I really want to underscore. First, if we don't do more to incentivize people to go into and stay in teaching, we are not going to have the teachers we need for the 21st century because too many of our teachers -- (applause) -- have been there a number of years. You know, you've taught 30 years, and I have friends who are going on

35 years and, you know, they still love it. But time's passing by, and we need to bring in more people from other professions and walks of life, as well as young people.

Now how do you do that? Well, you've got to make teaching attractive. And it is a calling. In a lot of people -- I saw two young women at the Drake Diner last night, and they introduced themselves to me and said they were teachers, and how they felt called to teach. One young girl said, "I was, you know, in third grade when I felt I wanted to be a teacher." So it is a calling, but it's also a way of life that has to provide a living. And so we've got to figure out how to make the mix between needing to recruit and retain our teachers and providing the resources necessary to be competitive so that teachers will be able to stay teaching and make a life commitment.

Now -- (applause) -- now I've only been in the state about a day now, about 24 hours. But I've already heard a lot about "no child left behind." (Boos.) You know, now the idea behind it was not a bad idea. But the way it's been executed, like a lot of things with this administration, has sure left a lot to be desired, hasn't it? And -- (applause) -- and one of the reasons is it's never been funded the way that was supposed to be funded, and that it was promised to be funded. (Applause.)

So we're going to be reauthorizing that, but it means we're going to have to take another look at it and see what to do with it. And I think you'll see some positive changes coming out of our Democratic Congress now, and I hope that that will help to provide more resources to the local schools. I mean, this is all about the magic that goes on between the teacher and a student. This is all about that "aha" moment, that learning, turning some young person on to something that'll be a passion, and maybe their life's work. And you can't dictate that from on high, you can't write laws about that because it's not just about what goes on inside the buildings or the school.

Now this school is a real testament to not only the history, the proud legacy, but it has kept up with the times. And I am so impressed with your new addition, and one of the reasons that could happen here is because at the end of the Clinton administration, President Clinton teamed up with Senator Harkin to pass money to be able to be handed down so that we could begin to repair and rebuild and modernize our school buildings by helping local communities that were under a lot of property tax and other pressures.

So I know that -- (applause) -- I know that Senator Harkin was instrumental in that. He and I have been working on legislation to try to reinstate that because, obviously, as soon as the new administration came in, that was ended. So then, you don't get any federal help to do some of the things you have to do, you don't get enough of the federal money promised to be able to fulfill the federal mandates that have been put down on you. So we've got to flip this, and we've got to get back to focusing on the educational enterprise.

And there's something else I just want to add quickly about that. This is a partnership. Families and students have to be partners with their teachers. They have to be willing -- (applause) -- to prepare their children for school. And, you know, I know how hard it is. And hard-working families, thank you all for raising the minimum wage here. Thanks to your new governor. Thanks to your new Democratic legislature. (Applause.) You know, when you've got a hard-working parent -- maybe a single mom, and you say, "Well you should read to your child at night," you know, that's a little hard, right? But we've got to figure out through all kinds of outreach, maybe using our churches and mentoring programs and all the rest of

it. We've got to figure out how we can help better prepare our children. That's one of the reasons I support pre-school for disadvantaged kids, so they can have a good start -- (applause) -- and I support Head Start so they can get to school, ready to learn. So there's a lot we need to do.

Yes?

Q I'll just talk loud.

SEN. **CLINTON:** I can hear you. (Laughter.) Q: I think -- I'm a social worker, and we just heard from a teacher. (Applause.) And I think part of the issue is that work that's typically been women's work is so undervalued. Teaching, nurses, and it's just beginning. (Laughter.) As a nurse, as a teacher, child care providers.

SEN. **CLINTON:** That's right.

Q Social workers.

Q All predominantly women.

SEN. **CLINTON:** That's right.

Q And I feel like we need to do something about (that foot ?).

SEN. **CLINTON:** Right.

Q And even the governor -- government does not pay -- obviously does not pay teachers well. I don't believe that it pays social workers well.

Q Iowa has the lowest-paid nurses in the state.

SEN. **CLINTON:** Wow. Wow.

Q -- in the United States.

MS. : How do we change the culture to value -- (cross talk) -- taking roles that women take?

SEN. **CLINTON:** The -- great question. How do we change the culture to value caretaking roles and jobs that women primarily perform? Nurses, social workers, teachers, child care workers -- you can just imagine all of the personal work that's done to take care of our children, our elderly, each other.

Well, I think there are a couple of things we need to do. One, I have legislation to expand the enforcement of the Equal Pay Act, because I believe that -- (applause) -- that we passed the legislation some time ago, and women have made progress. And I'm very proud of that. But it is still not equitable, and I think we should because this is not just a women's issue. This is a family issue.

You know, when a woman goes into the workplace, if she's married, that adds to the income of the family. If she's the single support of herself, her children, or maybe an elderly relative, then why shouldn't she be treated fairly in the workplace to get the pay that she

deserves? (Applause.) But there is not just a legal aspect to this, because when I came out and said I wanted to do this, you know, there were those who criticized and said, "Well, no, I mean, women choose to go into those professions, they are lower-paid professions, so in a sense, you're getting what you bargained for because of what you've done. And women have different life patterns, and the reason women don't get paid more is because we take time out to have children or to care for an elderly relative, the kinds of things that are part of the caretaking role that we assume."

So I thought about that for a minute, then I thought, "You know, that's a really curious argument, because if you look at the top levels of society -- you look at big corporations, you look at our great universities, there is still pay equity there, too." You know, MIT did a survey comparing tenured professors -- men and women. What did they find? They found their women tenured professors, who are the most educated -- obviously the most advanced degrees -- these are women who never got off the track, they've stayed focused on doing what they were intending to do -- there were disparities: disparities in pay, disparities in other conditions within the university, and to their credit, they took it on. So there is a cultural component to this.

So, you know, we can change laws, but we also have to change attitudes. We've got to get people to treat each other with respect, no matter what our gender, no matter what our background. We've got to look at each other and see each as a precious human being and treat each other with fairness and compassion. (Applause.)

Yes?

Q First I want to --

SEN. **CLINTON:** (Laughter.)

It'll probably start -- yeah.

Q Okay. No, wait. It's not working.

SEN. **CLINTON:** Oh.

Q Okay, this is better.

SEN. **CLINTON:** Good.

Q First, I want to say that in researching your background, I'm -- I've got to say I admire your advocacy for children, for women, for people who are disadvantaged. You started being an advocate for children through the welfare system in the Department of Human Services. And as a foster parent, I've got a question for you.

I have -- my wife and I have been foster parents in two different states in this country, and we found that there's this big hodgepodge -- you know, mish-mash of rules and regulations, and things that people do and the rights that children have, the rights that the families have. In some states, the parent who is not custodial can grab the child, run to another state and be perfectly immune to any type of prosecution. Do you think it's possible, and would you favor a plan to kind of get some cohesion to this nationwide and take this to the national level instead of just leaving it to the states to fend as they will?

SEN. **CLINTON:** Well, first of all, thank you and your wife for being foster parents. You know -- (applause) -- thank you.

I started out way back in law school defending the rights of foster children. And it has been an issue that I have worked on my entire public career. I feel very strongly about this. You know, obviously, we never want to break up a family. But there are some families, because of the way they treat their children or because of their inability to care for their children, who present such dangers to their children, such neglect, that unfortunately, the state comes in and takes those children. When that happens, every one of us becomes the family of that child. When someone is removed from an abusive home or a neglectful situation, taken into the state, that becomes our child. And what we want to do is try to return the child to his family, if possible. Sometimes we can, and lots of times we can't.

We have nearly 500,000 children in foster care in our country, a lot of them very, very young. So we need a system that moves more quickly to make a decision about their future. If they can be returned home, if the parents can be worked with, we need to do that. We also need to give more respect to grandparents. If a grandparent can take a child, then let's not turn the child over to strangers, let's put the child in with the grandparents. (Applause.) So I've worked on this very hard.

When I was First Lady, we worked on providing more incentives for adoption and tried to provide more funding for the foster care system. And we improved the number of children going into adoption so they could have permanent homes. But unfortunately, we were like running in place because more and more children kept coming in. I've been working in the Senate to try to do exactly what you're talking about. Let's have a more cohesive, coherent system because if the child is taken away in one state, that child may languish in foster care for years, and then the child becomes unadoptable, there's no permanent home, whereas in the state next door, if he'd been taken into foster care, there would have been a big effort undertaken to either return him or free him for adoption.

So I do think we need to have a national approach to this because these children are too precious. They are our children, and we need more good people like you to be foster parents to them until we have a better system to take care of them. And I will continue to work on that.

Thank you very much. (Applause.) Oh, my goodness. See those up there?

Q Okay. First I'd like to say, like, what a great honor it is to see you and ask a question cause you're one of my idols and -- yeah. So --

SEN. **CLINTON:** Thank you. (Applause.)

Q -- this will be the first time voting in a presidential election, and as a young person I'm very concerned with global warming and -- (applause) -- what are your plans on enforcing alternative energy sources?

SEN. **CLINTON:** Great question. Thank you -- thank you and -- (applause) -- I am so encouraged and excited by our young people. I hope you feel as I do we have the best young people in the entire world. They are fabulous and -- (applause) -- they are becoming

so active around a couple of issues, and one of them is global climate change and alternative energy.

Let me just briefly say that I think we're going to finally be able to address this to some extent in the Congress. Up until now, it's been very difficult because, you know, the president and the vice president refuse to admit that there were any, you know, human contributions to global climate change. There are climactic changes that are so-called natural, but we have so changed the atmosphere that it has a kind of ripple effect.

So it's sort of like yes, there are natural reasons why the climate may get warmer, but we've put so much CO₂ into the atmosphere that that changes the natural forces, and so on and so forth. So, of course, global climate change is real and it is a threat. Now what we have to do is create the political consensus, which we're working on now, to get the private sector in America to support these changes, and to get the politics to change itself so that we can make laws that will improve our conditions.

There are several things that I am advocating. I believe we've got to take a strong stand on limiting our dependence on foreign oil, and we have -- (applause) -- we have a perfect example right here in Iowa about how it can work with all of the ethanol that's being produced here and -- (applause) -- and -- and there -- now across the country lots of work being done to create what's called cellulosic ethanol out of things other than corn. And in our state of New York, I've been working with one of our universities to do that with fast growing willow and we can use, you know, farm waste and other homegrown elements to begin to power our cars -- to change the way that we use gasoline.

But we also have to look to our car manufacturers to get higher gas mileage in our cars and -- (applause) -- you know, there are ways of doing that that are not going to further undercut our auto industry, but they've got to be willing to do it. And I hope that in this next year we're going to see more willingness on the part of our president and our Congress. The president can do some things, as he said in the State of the Union, but I think we can do even more than that.

I also think we've got to change the way we produce electricity. We've got to clean up our old coal-burning utilities and get them to be cleaner because they're spewing so much mercury and CO₂ in the air. (Applause.) So I propose what I call a strategic energy fund that would be funded by taking away the subsidies from the oil companies. I don't believe we should be subsidizing the major oil companies -- (applause) -- and -- (applause) -- if we took that money and put it into the strategic energy fund, we could massively invest in the best ideas to further biofuels and biodiesel and get solar cheaper and more commercially available and make wind more accessible and look at geothermal and look at hydropower, look at all of the alternatives. (Applause.)

But I think this will take a public private/partnership and I was very happy the other day to see some of our biggest industrial companies like GE stand up and say to the government -- our government -- "Please impose standards and caps on the amount of CO₂ going into the air." That was a very important announcement because then we can turn to the administration and the Republicans in Congress and say, "Your supporters -- big business leaders of some of the great companies in America -- now are willing to do what you will not do, which is to put the United States back into the lead on controlling the climate change

debate. We have been missing in action and we're going to get back and do what needs to be done. (Applause.) Yeah?

REP. LEONARD BOSWELL (D-IA): Senator -- Senator --

SEN. **CLINTON:** Oh.

REP. BOSWELL: They tell me that you've got to get on the road to Cedar Rapids and since I got to do the dirty work, they sent me up here so -- (laughter) --

SEN. **CLINTON:** Well, let -- let me take just a few more questions, Mike. Is that okay?

REP. BOSWELL: (Off mike) all right. It's fine.

SEN. **CLINTON:** So we'll be --

REP. BOSWELL: You're the boss.

SEN. **CLINTON:** If -- if you know anybody in Cedar Rapids, tell them I may be a little bit late. Yes?

Q Thank you. Hello. Thank you. I'm -- I'm Allan (sp) Young and I'm a teacher of middle school students. One of my former students, Sara (sp) Hathaway, right there, asked the question --

SEN. **CLINTON:** (Laughter.)

Q -- and I'm also fortunate enough to be the elected president of the Des Moines Education Association here so -- (applause) -- we of course are very concerned about education and the direction of education that has been influenced quite heavily we think in the negative direction by the current version of the Elementary Secondary in -- excuse me, Elementary and Secondary Education Act, which we call No Child Left Behind.

We certainly know that professional pay is very important, but one of the fundamental flaws that we think that are in that law is that there's not been much professional say about those closest to the children and what really teaching and learning is about. Certainly the notion that student learning is not necessarily equal to test scores is something that we would like for you to take back to the education committee as senator -- (applause) -- and also that our kids are whole kids -- that they have to have all their parts develop, not just narrow reading and math. (Applause.)

SEN. **CLINTON:** Right -- right -- right. (Applause.)

Q Our concern is that while the slogan itself sounds very good to not leave children behind -- we all believe in that slogan -- it's not just been an empty promise. It's also based on really flawed premises, and I guess we would hope that we would not be too quick to reauthorize it as is, and that we really talk about the language and framing that is in there that is really meant to push towards privatization of schools and vouchers and other things like that -- (applause) -- and that -- and that we could also then talk about really returning our -- our schools back to the places where we develop human beings and citizens who thrive in a democratic society in a diverse changing world, and not just there to improve their test scores. And so I'd like to hear from you about that. (Applause.)

SEN. **CLINTON:** Well, thank you so much for -- (applause) -- well, I think that the analysis you just laid out is very persuasive because test scores do not equate with learning. Test scores should not be used to define the worth of any child. Test scores -- (applause) -- test scores are a snapshot of a moment in time and they should be used as a diagnostic tool, because I do believe in accountability. I believe that we've got to figure out whether kids are learning and what more we need to do to incentivize their learning and try to help them become the people God meant them to be.

But what has happened under this relentless pressure on test scores is exactly as you described. We have essentially limited the access and experience that our children have, and this goes back to the doctor's first question. One of the reasons I would argue that we have an increase in obesity is we no longer have physical education. We no longer let our kids go to playgrounds, play outside, have that experience. (Applause.) You know, so, you know, you've got -- you've got to see life holistically, and we've taken children and basically said, "There's only one way to learn, and here it is and we're going to test you on it."

So what does that do for the children who are artistically inclined? Or what does it do for the children who are imaginative and need some time to develop their skills and their understanding of life and so -- (applause) -- so here's my plea. I have been working on school reform issues since 1983, when my husband asked me to chair a committee in Arkansas. And we came up with a lot of ideas and that -- the debate has gone on ever since then.

But what's happening is that we're not really hitting the targets we even set, and I would argue some of those targets are the wrong targets, but we're not even hitting those. We are not increasing the number of young people going into math and science. We're not turning out more engineers and researchers to compete with China and India. So we've got to rethink this and that's what I hope we can do with the No Child Left Behind debate that's going on in the Congress.

Now I, you know, I'm really conflicted here cause there are so many hands up and I promise I will be back and I will answer questions. But the other thing I will do if I can is stay here. We'll let people go because you've been so patient. I will stay right here as long as I can. If I didn't get to your question or if you brought something for me to autograph, you come on up and I will continue the conversation.

Thank you all very much. (Applause.)

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT THE OPENING OF THE CENTER FOR THE INTREPID, BROOKE ARMY MEDICAL CENTER, 1/29/2007

CLINTON: Thank you so much. It's an honor to be here back in San Antonio and to be part of this extraordinary celebration, because that's, indeed, what it is.

John Mellencamp reminded us that that's America. It really sums up that this could not happen anywhere else in the world.

There is no other country that has responded time and time again to the cause of freedom like ours.

There is no other country that has embodied the best virtues of humanity like ours.

And there is no other country that has been so well-served by those who have fought for our freedom and exemplified those virtues than ours.

We are blessed to have so many who have given so much. But in return, we are obligated to ensure in every way we can that they and their families are given the support they have so richly earned and deserved.

The Fisher family has understood that now for many years. And I am grateful for their leadership and example.

They have recognized that in our nation, as Arnold Fisher so eloquently said, it is not just the government that acts for us, although the government is us, in a democracy that's who we choose to represent us. But we are far more than that.

And through the kind of commitment that the Fisher family has exemplified and that so many of you have contributed to, we are able to open this Center for the Intrepid.

How well named it is. Those of you who may have been in New York perhaps have seen the Intrepid, have seen this brave, battered, but still proud symbol of America's commitment in wars, going back to World War II.

Its keel was laid at one week after Pearl Harbor, an attack that devastated our Navy and shocked our country. And the Intrepid was our first answer. It told our enemies that they may have damaged our ships, but not our spirit.

And so many service members served their country in good times and bad aboard the Intrepid, through war and peace, including my friend and colleague, Senator John McCain.

So we are here to celebrate once again that spirit, and to thank our wounded warriors and their families for the devotion to duty, honor and country that their lives exemplify.

CLINTON: We know that, for many of our wounded warriors, there will be a challenging road ahead. This center stands as a pledge, a solemn pledge of the healing and support our nation owes every one of you.

You remind us that the values that unite us far outweigh any differences that temporarily divide us, that, indeed, there is common ground on higher ground.

And on that higher ground, we stand today, to pay in full our debt to those who defend us, and to support one another, as we look, without fear, to the future.

May this center and the staff that serves so nobly here help all who pass through its doors to heal in body and soul, to look forward to a future that is still filled with potential, to live long

and productive lives at home, and to continue, in whatever way you choose, to serve this nation that admires, respects and loves you.

We are eternally grateful.

May God continue to bless you and the great country you have served. Thank you.

(APPLAUSE)

END

SEN. CARL LEVIN HOLDS A HEARING ON THE NOMINATION OF AD-MIRAL WILLIAM FALLON TO BE COMMANDER OF U.S. CENTRAL COMMAND, 1/30/2007

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Thank you, Mr. Chairman.

Welcome, Admiral. And welcome to your family. We are very pleased to have you before this committee. And I thank you for your years of distinguished service to our country.

I know that you are in the process of confirmation and that it may be difficult to give specific answers to some of these questions because you're not yet confirmed and you haven't had the opportunity to really get a firsthand view for yourself.

But if I could, Admiral, one of the issues that concerns me, and I think other members of this committee, regards the lack of unity of command for the Iraqi and U.S. forces that will be operating in and around Baghdad.

In fact, we've heard from both retired general Jack Keane and General Petraeus their concerns about what this means.

And I'm having trouble getting to the bottom of this, because General Petraeus sounded somewhat surprised about it and reflected some of his concerns, and General Keane, who apparently was very active in helping to devise the plan the president has put forth, also said that it was very dangerous and frustrating not to have unity of command.

Can you shed any light on this decision for our committee?

FALLON: Senator, not yet. But this is clearly a very significant, critical item. We've got to know exactly who's reporting to whom, for what purposes. And I would expect General Petraeus will have this at the top of his list when he gets out there.

There are ways to do this, as you well know, but we have got to make sure that the lines are straight if we're going to be effective.

CLINTON: I would appreciate that. And I welcome the openness that both you and General Petraeus have exhibited to the committee, and I hope that we can hear from both of you in short order about this.

I hope we can hear that it's been fixed, because some of the stories coming out of the fighting on Haifa Street, the recent large engagement near Najaf, have certainly raised serious questions about the Iraqi military's capacity to take actions which we thought they were capable of. And certainly we don't want to put our young men and women into harm's way with that level of confusion.

Secondly, Admiral, I asked General Petraeus -- this was really more of a plea; some would characterize it as a prayer; that we not send our new troops into Baghdad without being fully equipped and ready. There have been a number of articles in the last week, and there's one today in The Washington Post about how equipment for the added troops is lacking.

CLINTON: We are short thousands of vehicles, armor kits and other equipment. We do not have the capacity to quickly turn around that equipment and, in fact, Lieutenant General Speakes has said that we're going to have to be pretty much improvising, trying to share equipment, which I find deeply troubling.

I'm also concerned that the United States has agreed to sell 600 up-armored Humvees to Iraq this year for its security forces and, again quoting General Speakes, saying that, "Such sales better not be at the expense of the American soldier or Marine."

Again, Admiral, do you know anything yet about whether or not we're going to have the equipment for these additional combat brigades?

FALLON: Senator, I do not know the details of that. I can tell you that, in the Pacific Command, there's been a request made for us to look at the equipment that we have in this region and to send some of this to the Middle East -- equipment that might be appropriate to soldiers and Marines that are headed in that direction.

I know from my experience that the units are not all equipped in the same manner, particularly the Army units, which have a diverse background. Some are light infantry; some are heavier, and they have different types and varieties of vehicles.

I found it interesting from a professional side, when I was in Iraq, as I traveled around the country recently to note the differences between the units.

And the thought occurred to me that it would be interesting, and I'd like to find out the answers of just how one goes about using these different equipment sets in different situations; as we rotate troops from one area to another, how effective they are and so forth.

So I have it in the back of my mind, and would like to take this up with General Petraeus to do an assessment of what essential things are necessary to put our people in the best possible position.

So we'll do that as soon as we get...

CLINTON: I appreciate that, Admiral. And I would hope, perhaps, that the committee would send a very clear message to Secretary Gates and the Pentagon that we want that

assessment done as quickly as possible, and that whatever actions need to be taken in order to provide the necessary equipment be done so.

I don't want to -- and I know every one of us doesn't want to -- hear stories about continuing lack of equipment costing American lives and injuries such as those we saw yesterday when we were both at San Antonio.

Finally, Admiral, this question about the diplomatic aspect of this assignment that you've undertaken is one that I'm very interested in, because we all know there's no military solution; there's no military solution in Iraq and there's no military solution in Afghanistan.

How do you see your role? And what tools do we have at our disposal, on the one hand to try to assess and rein in Iranian influence in the region and, on the other end of your area of responsibility, to create better relations and working conditions between Pakistan and Afghanistan?

Could you just briefly respond to those, please?

"ABC News Now Special Report," ABC, 2/1/2007

SENATOR CARL LEVIN (DEMOCRAT, MICHIGAN)

Thank you, Senator Inhofe. Senator Clinton.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Thank you, Mr. Chairman. And thanks to you General Casey, for your years of service. And thanks also to your family, because they have served along with you. And we're grateful to all of you. I want to follow up on the line of questioning Senator Inhofe was pursuing, because I have been concerned about the readiness level of units being deployed to Iraq. And in last year's Defense Authorization Bill, I authored an amendment that was included in the final bill that would require the Government Accountability Office to conduct a comprehensive assessment of the readiness of our ground forces within the Army and Marine Corps no later than June 1st of the this year.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

But even before that report is completed, there have been a series of disturbing reports that our troops do not have the equipment they need as they are being deployed to Iraq. At January 23rd, House Armed Services Committee hearing, stated, quote, 'We are in a dangerous, uncertain and unpredictable time,' unquote, and reiterated his concerns about the readiness levels of non-deployed combat units. Five Army combat brigade, five combat brigade teams are deploying to Iraq to support the proposed escalation of US forces there. These units are part of the pool of non-deployed combat units.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

And, General, I wanna ask a series of questions that follow up on our conversation yesterday in my office, because I know this is a grave concern to you and to all of us, are you, at this point, able to assert with a 100% level of confidence to this committee that every soldier being deployed to Iraq as part of this escalation will have all the necessary personal equipment?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

Senator, that, that is my goal, and I know that's General Peter Schoomaker's goal. And we work very hard to ensure that that happens.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Can you similarly assure us that every soldier being deployed as part of this escalation will receive all the necessary training for this dangerous assignment?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

Again, that is, that is the objective that both General Schoomaker and I have stated to our organizations.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

And finally, will each and every soldier being deployed as part of this escalation have all the necessary force protection available to them to perform their mission?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

And as I mentioned to you yesterday, I gave that guidance several weeks ago that that wouldn't in fact be the case.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Now, according to yesterday's 'Business Week' summary of a new Department of Defense inspector general report, the - Inspector General is concerned that the US military has failed to adequately equip soldiers in Iraq and Afghanistan, especially for non-traditional duties, such as training Iraqi security forces and handling detainees. The equipment shortages were attributed to basic management failures among military commanders in Iraq and Afghanistan, US Central Command lacks standard policies for requesting and tracking equipment requirements for units to perform their duties. General, have you seen this inspector general's report?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I have not, Senator.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Mr. Chairman, I would like to ask that the committee request a copy of the inspector general's report that was referred to in the 'Business Week' story, and that it be made available to the committee as soon as possible.

SENATOR CARL LEVIN (DEMOCRAT, MICHIGAN)

It will be requested and will be shared with everybody.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

General, as commander of US forces in Iraq, were you aware of the inspector general's investigation?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

This is the Zinser's report or the...

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Yes.

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I am aware of a, a continuing inspector general process going on. I wasn't aware of this specific investigation. I know they are out there all the time doing a range of investigations.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Do you know if any member of your command cooperated with this particular report?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I don't. But I, I assume they do, because they - they routinely work with the Zinser's in, in doing their reports.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Could you report back to the committee what you find about the, the level of cooperating with this report, please?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I will, Senator.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Thank you. Are you aware of the problems that are apparently cited in this report as, as set forth and press accounts of it?

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I'm not. And I'm, I'm actually a little surprised at what - I think you said there was equipping of transition teams. And we, and I've, I've spent a lot of personal time making sure that these teams have the best equipment, and we don't, because they operate relatively independently. And we have gone to great lengths to make sure they have the equipment. And I go up and talk to each group as they come through. And I've not heard any mention of the transition teams being shortchanged on equipment.

SENATOR CARL LEVIN (DEMOCRAT, MICHIGAN)

Senator Clinton, if I could just interrupt, we did receive that IG report that you referred to, apparently last night. And it is now in our files. It is classified secret. So when you read it, if there are parts of that that we, or you would feel should be declassified, we'll make those requests. Sorry, sorry for the interruption.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

All right. No, I would appreciate that, Mr. Chairman, because earlier this week, I question Admiral Fallon about an article in the "Washington Post," titled, "Equipment for Added Troops is Lacking, New Iraq Forces Must Make Do, Officials Say." And Mr. Chairman, I'd like that article to become a part of the record of this hearing as well.

SENATOR CARL LEVIN (DEMOCRAT, MICHIGAN)

It, it will be part of the record.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

And after the hearing, the chairman and ranking member send a letter to Secretary Gates, asking about the readiness of our troops. In that article were very specific and disturbing quotes from Lieutenant General Speaks and others about the lack of equipment, the lack of readiness. And among the concerns were the proper level of armor for vehicles, pre-positioned sets issued in Kuwait are the add-on armor type, and do not provide adequate protection, insufficient add-on armor kits for logistic trucks and prime movers, insufficient and incomplete electronic countermeasure devices designed to defeat IEDs, insufficient force protection materials for the outpost we are building in Baghdad and throughout Anbar province, sufficient training sets of, insufficient training sets of equipment in vehicles at home station for units to train on in preparation for deployments.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

And - I'm very concerned that we, we are pursuing a policy that, regardless of what one thinks about it or how one evaluates its chances for success, certainly raises the fears that so many of our young men and women are going to be put into very dangerous situations in neighborhoods in Baghdad, dependent upon their Iraqi counterparts who may or may not be reliable. And, Mr. Chairman, I, I believe that because of these disturbing reports about equipment shortages, we should, as we begin the debate, the Warner-Levin proposal, include provisions that require that adequate equipment and training be mandated so that we do not send any young American into this dangerous mission without knowing that they are as well prepared, as ready and, and equipped as they deserve to be to try to fulfill this mission.

GENERAL GEORGE CASEY (CHIEF OF STAFF NOMINEE)

I don't think anyone feel stronger about that than I do, Senator.

SENATOR **HILLARY RODHAM CLINTON** (DEMOCRAT, NEW YORK)

Thank you, General.

REMARKS AT THE DEMOCRATIC NATIONAL COMMITTEE WINTER MEETING, 2/2/2007

CLINTON: Hello, Democrats.

(APPLAUSE)

Well, I'm Hillary Clinton, and I'm running for president.

(APPLAUSE)

I'm in, and I'm in to win, because we have to take our country back.

(APPLAUSE)

This campaign that we're going to wage is one of the most important that we've ever had in our country. We're going to need everybody working together and getting the results that we want: not only adding to our numbers in the Congress, but taking back the White House.

(APPLAUSE)

And I want to thank my longtime friend Governor Dean for helping to lead the charge for the victories we had in November of '06.

(APPLAUSE)

I want to thank all of these state chairs and the committee members, because this was a unified effort, and I know how hard everyone worked.

And that was the first step: to get the Congress back, to begin to try to rein in the president, to send a clear message that the Democrats are going to do all we can to hold the president accountable and to try to repair the damage and limit what else might come over the next two years.

CLINTON: Now, I know a lot of Democrats feel as though we just want this election be here. And we do, don't we?

(APPLAUSE)

But we're going to have to do all we can within the Congress to try to set a new course.

And it's challenging. You know that.

We have a Democratic majority in the House under the great leadership of Speaker Pelosi.

(APPLAUSE)

And we're making progress. And in the Senate, we have increased our numbers, but we still have to create coalitions in order to get the votes we need to make the changes that are so necessary.

This is what I pledge to you for the next two years: that I will work with my colleagues in the Senate to do everything we can to change the direction of this country.

And then, when I am president, working with a Democratic Congress, we will really take our country back and put it on the right track again.

(APPLAUSE)

You know, I am not here today just to start a campaign. I've been in a lot of campaigns over the years.

CLINTON: I'm here to start a conversation with our country. Because we've got to admit to ourselves that things are just not right.

We've lost something these last six years. All of you feel it. We know it. And we have to regain it.

It's the basic bargain that many of us grew up expecting: that we felt if you worked hard and did your part, your country would stand with you. It would give you the chance to build a better life for yourself and your family.

It was a bargain that created the American middle class, the greatest social invention in the history of the world.

You know, every country has a rich people, with all due respect. And unfortunately, we still have a lot of poor people everywhere.

But no country has created this extraordinary middle class out of which most us came, with the promise of education and better opportunities.

I grew up in a middle-class family in the middle of America. My dad was a World War II vet who came back. In order to make a better life for us, he ran a small business, printing fabrics for draperies. And lots of times, the only workers he had were my mother and my brothers and me.

But we were all in it together. And we felt, because of the example he and my mom set, that if you served your country, your country would serve you.

CLINTON: Now when I travel around...

(APPLAUSE)

... our country, that's not how people are feeling.

Corporate profits and CEO pay are hitting new highs, while wages for hardworking Americans are stagnant. Last year, more people went bankrupt than graduated from college.

And if you look at the increasing number of the uninsured, if you realize the shame of 26,000 victims of Katrina still living in trailers, if you ask the worried mom who's trying to figure out, "What does No Child Left Behind mean when I feel like my children are being left behind?"...

(APPLAUSE)

... when I travel across upstate New York and hardworking people come and say, "Senator, they're closing this factory down and shipping our jobs overseas. Why can't we get tough on China?"

And I say, "Because of the debt that this government under this president has exploded, we are now on dependent upon China. And how do you get tough on your banker?"

We need to start standing up for the American worker again and be able to once again compete and win in the global economy.

(APPLAUSE)

But it's not just manufacturing jobs, is it? You know, when I was in Iowa last weekend, I met...

(APPLAUSE)

I had a great time.

CLINTON: Thank you all very much.

(APPLAUSE)

I met a young man, an engineer, who was training his replacement. And he said, "You know, I did what I was supposed to do. I went to college. I got an advanced degree. I've worked hard. And now I'm training somebody who is going to make one-tenth of what I make."

We need a new economic strategy that will rebuild the American middle class and give hope to people who feel that they've done their part and they're waiting for their government to be on their side again.

(APPLAUSE)

So what I want to do is to renew that promise of America. It's the greatest promise that anyone could be born with or come to be part of. And I want to restore the greatness and respect for our country around the world.

Now, I know very well that we're going to be debating, starting this week, in the Senate, a resolution of disapproval of this president's ill-conceived plan to escalate our involvement in Iraq.

Now, there are many people -- there are many people who wish we could do more, but let me say that if we can get a large, bipartisan vote...

PROTESTER: (inaudible) war!

CLINTON: ... to disapprove this president's plan for escalation, that will be the first time that we will have said no to President Bush...

(APPLAUSE)

... and began to reverse his policies.

(APPLAUSE)

Now, I want to go further.

I proposed capping the troop levels. I want to make it very clear that we need to threaten the Iraqi government that we're going to take money away from their troops, not our troops, who still lack of body armor and armored vehicles -- but we're going to send a clear message that we are finished with their empty promises and with this president's blank check.

CLINTON: And let me add one other thing, and I want to be very clear about this.

If I had been president in October of 2002, I would not have started this war.

(APPLAUSE)

And if we in Congress -- if we in Congress, working as hard as we can to get the 60 votes you need to do anything in the Senate -- believe me, I understand the frustration and the outrage.

You have to have 60 votes to cap troops, to limit funding to do anything.

If we in Congress don't end this war before January 2009, as president, I will.

(APPLAUSE)

And I expect to be busy in the White House in January 2009 because once and for all, we are going to provide quality, affordable, universal health care coverage to every single American.

(APPLAUSE)

Now, I know some people say, "What is Hillary Clinton doing talking about health care?"

(LAUGHTER)

Well, as Dr. Dean knows, this is one of my favorite subjects.

And I learned a lot about what we need to do to get it done. It's a big difference between calling for it, impassioned speeches about it, presenting legislation that embodies your hopes and dreams, and another thing to put together the political coalitions to actually make it happen.

(APPLAUSE)

The same is true with energy independence.

CLINTON: The Democrats know what needs to be done. Again, we're working to try to push this agenda forward.

The other day, the oil companies reported the highest profits in the history of the world. I want to take those profits, and I want to put them into a strategic energy fund that will begin to fund alternative smart energy, alternatives and technologies that will begin to actually move us toward the direction of independence.

(APPLAUSE)

I have to tell you, I am not running for the president to put Band-Aids on our problems. I am running to ensure that we actually address them and meet them and get results here in our country. Because we have to prove to ourselves as well as the rest of the world that we're still the most creative, most innovative, most effective nation in the history of the world.

We have not been demonstrating that recently, have we?

So we have all these big challenges. And we need smart, strong, leadership that can provide the solutions that everyone knows we have to have.

I believe that I can, with my lifetime of experience and qualifications, make it possible for us once again to believe in ourselves, because we can actually see results.

People are tired of politics as usual, with good reason. We're just marching in place. We may even be falling further and further behind.

If you look at every international indicator, we don't have the highest quality health care, although we pay more for it than anybody in the world. We're not setting high goals and moving toward them on energy independence and to combat global warming, although we emit more gas emissions than anybody else globally.

We can do this, but there's a strain of fatalism in some of the conversations that have crept into the political dialogue. You know, "If we try to deal with global climate change, we'll wreck the economy."

I reject that.

(APPLAUSE)

"If we try to have universal health care coverage, we'll bankrupt our country."

I reject that.

I've been fighting for more than 35 years on behalf of poor people and children and women and families.

CLINTON: I worked in Arkansas, with my friends from Arkansas, to reform our schools and to reform rural health care. I have worked across our state in New York to bring economic opportunities to our smallest villages and help our farmers, while dealing with the aftermath of 9/11 and what it meant for the greatest city in the world.

You and I know there is another kind of experience that we're going to need in 2008. I know a thing or two about winning campaigns.

(APPLAUSE)

And when our party and our candidates are attacked, we have got to stand up and fight back.

(APPLAUSE)

I have always done that, and I always will.

I know how they think, how they act and how to defeat them. And if you give me the chance, that's exactly what we will do together in 2008.

(APPLAUSE)

You know, ultimately, this is not about you, me or any of our other wonderful candidates. And we've got a great field of really strong and dedicated candidates.

This is about what we leave to the next generation. This is about our children and our grandchildren. And I believe we can marshal our faith, our strength and our ingenuity to restore that basic bargain, to renew the promise of America.

That's what I love about our country. You know, let's not listen to the naysayers. Let's plow ahead and shape our own future. We can make history and remake our country's future.

We can elect the first woman president.

(APPLAUSE)

We can fix health care.

(APPLAUSE)

We can stop global warming.

(APPLAUSE)

We can stop the genocide in Darfur.

(APPLAUSE)

CLINTON: And, yes, we can find the right end to the war in Iraq.

(APPLAUSE)

Americans are looking for solutions. Democrats, we have them.

(APPLAUSE)

Americans are looking for change. Democrats, we are that change.

(APPLAUSE)

Americans are looking for unity. We can unify our country again.

(APPLAUSE)

America is looking for leaders who see what they see: Our world is changing. The threats we face are real. But the promise of America and the values that sustain us are just as real.

And if we're willing to stand up and fight for them, there is no stopping us.

Join me on this journey.

Thank you all, and God bless you.

(APPLAUSE)

END

SEN. CARL LEVIN HOLDS A HEARING ON THE FISCAL YEAR 2008 BUDGET FOR THE DEPARTMENT OF DEFENSE, 2/6/2007

CLINTON: Thank you very much for your service and your patience.

And I'm grateful to each and every one of you for the work you do.

It seems to me, Mr. Chairman, that we have a number of extremely important issues before the committee, that have been highlighted by various members. We have the budget, which is going to deserve and need a lot more scrutiny.

We've heard a lot of talk about the percentage of GDP it is in comparison to the percentage of GDP in other wars and conflicts.

I might also add, the taxation rates were considerably different during those conflicts as well.

We are not paying for the military that we want, nor are we paying adequately for the global war on terrorism.

So this budget is going to have to be scrutinized, but we're going to be faced with the dilemma of whether we are adequately funding our troops and whether we will pay for adequately funding our troops.

Secondly, we continue to have questions about how we ensure American troops are trained and equipped, something that I've raised in a series of our hearings, with General Petraeus, Admiral Fallon and others, General Casey most recently.

And I think you can hear, Secretary Gates, we're still not satisfied. Both you and General Pace have responded to questions, starting with the chairman's from the very beginning of

this hearing, but there remains a considerable amount of anecdotal evidence about shortages.

And I will be reading the inspector general's report later this afternoon, but from the reports that we have received, it appears that there was a lack of cooperation, perhaps, with appropriate officials in DOD and the chain of command in trying to get to the bottom of whether or not we have adequate training and equipping of our troops.

So this will continue to be an issue that I and others will pursue.

We also have heard about the need to enlist the entire government to participate effectively in the war on terrorism. And as Senator Warner said -- I can remember when he was on the floor, introducing his bill and speaking about it -- we actually have made a stab at this. I think it's fair to say none of us are either fully aware of or satisfied with what direction it has taken us.

And I think Senator Session's suggestions are really serious ones that should be carefully considered by the administration.

CLINTON: We also...

WARNER: Senator, if you'd yield, I have here the reference to legislation and you co-sponsored that legislation...

CLINTON: Yes, I did.

WARNER: ... together with Senator Lugar and myself.

CLINTON: That's exactly right.

And we did, under Senator Warner's leadership, pass that legislation. But it's clear that none of us had a handle on what, if anything, has been done to implement it. So we really do wish to have some additional information and feedback on that.

We've also begun to examine -- and I appreciate very much Senator McCaskill's lead on this -- examine the way our government has outsourced so much of the work of preparing and defending our nation, to private contractors who may be neither cost-effective nor free of conflict.

I think this will be a very important issue for this Congress that we will be exploring and, again, looking for assistance from you.

And, finally, your words, Secretary Gates -- how we best incentivize the Iraqi government -- there are those who think that the era of carrots has got to end, that we've been, in effect, ignored by giving them a blank check and the blood and treasure of our nation, especially the lives of our young men and women and the injured that have come home with such grievous wounds. And we don't believe that's an effective way to get their attention.

This part of the world which you have studied. You were certainly part of the Iraq Study Group before being asked to be secretary of defense. You know very well that I'm not sure carrots are part of the diet. So I think that many of us have been searching for more

effective ways that can get the attention, not only of the nominal Iraqi government, but of the sources that support it.

And to that end, in addition to our concerns about the attack on Karbala and what that meant -- and I appreciate General Pace referencing the likelihood that it was well-organized insurgents, which I translate to be Sunni elements -- we also are concerned about the Mahdi Army militia obtaining not only trained men who we have trained, but also equipment.

Recent article on February 2nd, McClatchy Newspapers, entitled, "Mahdi Army Gains Strength Through Unwitting Aid of U.S" -- the U.S. military drive to train and equip Iraq's security forces has unwittingly strengthened Sadr and his militia.

CLINTON: So these are deep concerns to us, and we don't believe that -- we, at least speaking for myself -- see much change in the testimony we hear, in the plans that are being implemented, as to how we're going to get a handle on these very serious challenges.

But, Mr. Secretary, I want to change direction just somewhat abruptly, because I want to ask you about a letter that, on January 16th, I -- and along with 21 of my colleagues, including several members of this committee -- sent to President Bush asking for an explanation of what plan B steps he was considering with respect to Darfur, including possible punitive military action such as a no-fly zone or a blockade of Port Sudan.

Obviously, we are facing -- once again -- the repeated and blatant violations of numerous cease-fires, peace agreements and U.N. obligations by the government of President Bashir.

It is worth noting, I think, that this does not need to be a no-fly zone on the scale of what we formerly ran over Iraq, but could be accomplished with a significantly smaller outlay of resources by directing punitive strikes against Sudanese planes known to have taken part in illegal bombing missions in Darfur.

I've made this suggestion on several occasions, to our NATO commander in the past and to others within the administration. And I'd like to ask you if you have been instructed by the president to begin planning or preparing any such measure, and whether or not you would look into that if you have not yet been asked to do so?

GATES: I have not been asked to. I would defer to General Pace in terms of whether the Joint Chiefs have done any contingency planning along those lines. And I'm certainly willing to pursue it.

CLINTON: General Pace?

PACE: I have not been asked to do that, ma'am.

CLINTON: Well, I think that, obviously -- from the perspective of many of us -- the ongoing genocide in Darfur and the blatant refusal by the Sudanese government to act has been deeply concerning.

We have about 7,000 African Union troops there. They are the sole line of defense for the hundreds of thousands of civilians facing genocide.

\$20 million was included in the '07 defense appropriations bill to provide assistance to these troops. They are obviously woefully underfunded. They don't have logistics support. They have no airlift capacity.

I understand the State Department, which has been administering all U.S. funding going to the African Union troops, has requested that this new \$20 million be transferred to them.

CLINTON: Is your office considering that request? And do you have an opinion, as the secretary of defense, whether that meets our desire, having put this into the Department of Defense appropriations rather than the State Department appropriations?

GATES: This is the first I've heard of it, Senator. I'll have to look into it.

CLINTON: Thank you.

And finally, Mr. Secretary, the FY '07 defense appropriation bill contains a provision I sponsored requiring the Department of Defense to submit a detailed report on the department's role in assisting the parties to implement the Darfur peace agreement of May 5th, 2006.

The report is envisioned to contain information on issues of critical importance to stabilizing Darfur, such as an assessment of assets that the U.S. military and NATO are able to offer the African Union mission in Sudan and any efforts made by the Department of Defense to leverage troop contributions from other countries to serve in the proposed hybrid A.U.-U.N. peacekeeping mission for Darfur.

This report was supposed to be available no later than January 15th, 2007. That was 90 days after enactment of the bill, as of October 17th, 2006. May I ask you, Mr. Secretary, if you know the status of this report?

GATES: No, ma'am, but I'll find out.

CLINTON: And I would appreciate it being prompted delivered to me and to this committee.

Thank you very much.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EM-PLOYEES 2008 DEMOCRATIC PRESIDENTIAL CANDIDATES FORUM, 2/21/2007

SEN. **CLINTON:** Hello! (Cheers, applause.) Thank you. Thank you all. (Cheers, applause.) Thank you very much. (Cheers, applause.) Well -- thank you. (Cheers, applause.)

Let me -- (cheers, applause) -- let me thank AFSCME and Nevada for holding this first forum. I am delighted to be here both because today is the first day of my presidential campaign in this state, and I am looking forward -- (cheers, applause) -- to traveling around the state and getting to know more about the issues that affect the people here.

But it's also going to be important for us to have a united front as Democrats about what matters in the lives of Americans, and -- (applause) -- one of the things that I know that matters is that people like all of you, who are public servants who keep the work going that provides the child care, that provides the civic services, that is there on the front lines taking care of our elderly and our young and everybody in between, that you have a right to organize and bargain and have your voices heard in the debates about the issues. (Cheers, applause.)

Now, when I announced my candidacy, I said I'm in and I'm in to win, and I'm in to win to be the best president that we can have for the working families of America. From my -- (cheers, applause) -- from my work of a lifetime, I have been focused on how we provide health care and education and give people the services and support they need so that they can live the best lives that are possible.

I've stood with you on card check, and in the Senate I'm sponsoring it, and I will vote for it. (Applause.) I've stood with you against all of the Bush administration's efforts to roll back protections like overtime, and to interfere with working conditions. And I said that if we didn't raise the minimum wage, then members of Congress should not get a raise until it was done, and the Democratic Congress will do that! (Cheers, applause.)

I also stood with you against the privatization of Social Security and -- (cheers, applause) -- now I want to stand with you against the privatization of our government. Under this administration -- (cheers, applause). The Bush administration has been privatizing government services. In fact, now we have more government contractors and grantees by three times the number than the entire military and Civil Service personnel. We have to stop that. And I have proposed cutting government contractors by 500,000 as soon as I'm sworn in -- (cheers, applause) -- and saving \$8 billion to \$10 billion.

But what I want to do with all of you is to renew the promise of America, and as president, we will finally have universal health care coverage that will be provided to every single American. (Cheers, applause.)

We will have a new energy future that makes us more secure, cleans up our environment, and puts people to work.

We will have an education policy that says any youngster who really wants to go to college will be able to afford to do so. (Applause.)

So I'm looking forward to the campaign here and to the conversation. And now I get to join George and hear about the questions you have. (Laughter.)

MR. STEPHANOPOULOS: From Nevada. (Laughs.)

SEN. **CLINTON**: From Nevada. (Cheers, applause.)

MR. STEPHANOPOULOS: But let's begin with Iraq. It is the number one issue in this campaign. You heard Senator Dodd explain why he thought his vote was a mistake. Why wasn't your vote a mistake? And why are you against the proposals, particularly of Governor Vilsack, who says we have to bring the U.S. troops home right now by cutting off funding, and only fund a small strategic force in northern Iraq?

SEN. **CLINTON:** You know, George, my vote was a sincere vote based on the facts and assurances that I had at the time. And I have taken responsibility for my vote, and I believe that none of us should get a free pass. It is up to the voters to judge what each of us has said and done.

But I think the most important thing now is to focus on what we have to do together, particularly as Democrats, to try to force this president to change direction. (Applause.) And it will not be easy.

But as you know, I have introduced legislation to stop the escalation, to protect our troops, because it is a disgrace that the president is sending into harm's way young men and women who do not have all of the equipment -- the body armor and other equipment and training that they need. (Applause.)

My legislation would also say to the Iraqis: Enough. We are not going to fight your battles. We are not sending our young men and women in. You have to be on the front lines of your own defense.

And as far as I'm concerned -- people ask me, "Well, why don't you want to cut money for American troops?" I want to cut money for Iraqi troops. I want to cut the money that they get, because they're not standing up and fighting the way that they have said they would. (Cheers, applause.)

And I -- I have proposed that we have an international conference. I don't understand why the president takes this policy that he won't talk to bad people, you know. (Laughter.) I don't know what world he lives in, but most of us have to talk to people we don't agree with. (Laughter, applause.) And I would hope that he would convene an international conference.

And finally, I do want to start redeploying our troops out of Iraq, but I want to do it -- within 90 days, I want to begin the process. And if the president doesn't comply with the -- the requirements I've put forth, then I think we should require that he has to seek additional congressional authority, because it has run out on what George Bush has tried to do in Iraq. (Cheers, applause.)

MR. STEPHANOPOULOS: The next question comes from Nelda Hoover of Las Vegas. And she's basically asking you to elaborate on something you said in your opening statement -- health care.

SEN. **CLINTON:** Right.

MR. STEPHANOPOULOS: Many experts project that it would cost between \$90 (billion) \$120 billion to actually achieve universal health care for everyone in America. With the nation's deficit and the price tag of the Iraq war straining our budget, is comprehensive health care reform achievable in the near future? And if comprehensive reform is not possible, would you pursue incremental steps toward that goal, or do you view that approach as Band-Aid therapy for a hemorrhaging wound?

SEN. **CLINTON:** It's a great question. And you know, I have a little bit of experience in trying to reform health care. (Laughter.) And I still have the scars to show for it. I needed some health care after that was over.

But I believe the question is really an important one. We already spend more money than anybody else in the world, by about \$800 billion, and we don't even insure everybody. We have 47 million uninsured. And then we have millions of the rest of us who, in effect, are underinsured, because when our doctor says we need a certain treatment, the insurance company says no, and you've got to argue to get what your doctor has said you need. (Scattered cheers, applause.)

And we're also at a competitive disadvantage because other countries either provide health care or don't, and our companies are trying to be competing in a global economy.

So I want to figure out how we provide universal health care without putting billions of -- more into the system when we already spend so much more than everybody else. Let's get the price down by negotiating with the drug companies to get the costs of prescription drugs down, for example. (Applause.)

And you know, I am going around the country, and I'm asking people's advice. We have health care workers in this audience. They see every day how money could be saved and how things could be done differently.

So I'm going to be proposing a specific plan, but I'm also going to continue to work to try to provide more coverage.

For example, the president's budget wants to cut the Children's Health Insurance Program, and I worked on that during the Clinton administration. I think we should be insuring more children, not cutting the children of hard-working families off of this Children's Health Insurance Program. (Cheers, applause.)

And I am absolutely convinced this time we're going to do it because the people that come to talk to me now they're CEOs of companies, they're doctors and nurses and hospital administrators. They know that if we don't change the system we have, it's going to continue hemorrhage money. We're going to have more uninsured people. We're going to have the fastest growing problem of people who are not going to get what they thought they paid for, and we're going to continue to lose jobs. They're going to be sent to other countries because we're not being able to provide health care at a decent cost.

So I'm very excited about what I'm going to do. You know, President Kennedy said in his inauguration that he wanted to have a man on the moon by the end of the decade. Well, I want to have universal health care coverage by the end of my second term, and with everybody working on that I think we can do it. (Cheers, applause.)

MR. STEPHANOPOULOS: (Inaudible.) This is very different from the studio.

Finally, some news from today. Your campaign has gotten in a bit of press release scuffle with the Obama campaign today, and it began with comments of David Geffen, who sponsored a fundraiser for Senator Obama, made in The New York Times today critical of you and President Clinton. Your campaign has put out a press release calling on Senator Obama to denounce those remarks.

Do you personally believe that Senator Obama should denounce David Geffen's remarks? And more generally, do you think that candidates, all the candidates should be held accountable for the statements of their supporters and donors?

SEN. **CLINTON:** Well, I want to run a very positive campaign, and I sure don't want Democrats or the supporters of Democrats to be engaging in the politics of personal destruction. I think we should stay -- (cheers, applause) -- focused on what we're going to do for America. And you know, I believe Bill Clinton was a good president, and I'm very proud of the record of his two terms. (Cheers, applause.)

MR. STEPHANOPOULOS: Should he denounce them? Should Senator Obama denounce it?

SEN. **CLINTON:** Well, I'm going to leave that up to the other campaign. I'm glad to be here in Carson City. I'm excited to be part of this -- (cheers) -- wonderful forum and to have a chance with the other candidates who came to talk to the people here about what we want to do and to try to earn your support.

You know, people are not going to agree with 100 percent of what I say or what anybody says, but we have a chance now that we have a Democratic majority, and I'm thrilled that your own senator, Senator Reid, is our leader in the Senate. And we are -- (cheers, applause) -- we're making progress, and the thing that is missing is a Democrat in the White House. (Cheers.) And that's what we have to do this next time. (Continued cheers, applause.)

Thank you.

MR. STEPHANOPOULOS: Thank you.

SEN. **CLINTON:** Thanks, everybody! (Continued cheers, applause.) Thank you.

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT A CAMPAIGN EVENT, 2/23/2007

(JOINED IN PROGRESS)

CLINTON: ... most countries.

And we could get valuable information, figure out how better to leverage influence, and send a message to those people who share our values who are trapped in societies where freedom and opportunity are scarce that there are better ways.

So these are some of the things that I would like to see done, and have written legislation to require them.

But this is a sophisticated audience, and you know we couldn't get the 60 votes we needed in the Senate last week to pass the resolution of disapproval.

And some people say, well, Senator, don't talk about the way the Senate works. Well, if you don't understand why we can't do what we want to do and what many of you want the new Democratic majority to do, then I don't think I'm doing my job to explain what the challenges are and how we can address them.

We need four more Republicans to join us. And so the pressure needs to be put on the Republicans. Democrats need to stay united against this president's policy and against the mistakes that George Bush has made repeatedly and recklessly since the beginning of his preemptive war in Iraq.

(APPLAUSE)

So there's going to be a big agenda for the next president. And I'm excited, because I believe that the country is ready to respond, to be called to action, to ask for sacrifice.

You know, as a senator from New York, I was stunned when all the president asked any of our citizens to do in the face of that attack was to go shopping.

(LAUGHTER)

Hardly the call to history-making change that we would have expected in the face of such an assault on our country.

But I know that Americans are waiting to be called. And when I'm president, I'm not going to just propose a universal health care plan and work with the Congress to pass it -- I'm going to ask Americans to take better care of themselves.

You know, we have to be a healthier nation. We have to emphasize wellness and prevention, and do what is necessary to try to keep health care costs up and people's productivity up.

CLINTON: When I'm president, we're going to have a policy for energy.

I'm going to propose a strategic energy fund that would be funded in large part by the oil companies, take away the subsidies that they get and have them contribute to alternative forms of energy.

(APPLAUSE)

But I'm also going to ask people to conserve more. We've got to do more, and California's been a great leader in this.

When I travel around the country and I encounter skepticism from people who say, "Well, can we really begin to withdraw from foreign oil; can we really deal with global climate change?," I say, "Well, look what California's doing."

California, for 30 years, has been a leader in conservation and efficiency. And I think California's doing pretty well.

So why can't the rest of the country begin to cut our energy usage the way that California has?

To keep electricity usage flat for 30 years, that's an amazing accomplishment. The rest of the country has gone up by 50 percent.

But I'm also going to ask people to turn their lights off, to think more intentionally about what they can do.

Now, maybe one person doing that doesn't add up to much, but think if 300 million of us did it.

You know, my late father was a child of the Depression. He used to turn off every light before he left any room.

And I now find myself going around -- you know how you say you'll never do the things that your parents did?

(LAUGHTER)

So I'm going around turning off all the lights before I leave a room.

I know that we can do better.

And when -- I set out a goal that we're going to make sure every young person can go to college, because right now our college-going rate hasn't increased. It's been at about 30 percent of college graduates for many years now. And a lot of young people are being priced out of college.

We're going to fix that.

But I'm also going to make sure that we have a better partnership between parents and families and students and teachers and schools because education has to be a village affair, if you will. People have to feel committed to the process of education.

And I'm going to ask students and family members to be more committed.

So there's a lot of work that I'm excited about doing. I've been having a great time traveling around the country, talking with groups like this -- some small settings and some basketball arena settings.

But in every place, whether I'm here or in New Hampshire or Iowa or South Carolina, Nevada, Florida, wherever I've been, the excitement and support is very gratifying.

CLINTON: And I know there are still some who might say, "Yes, but can we ever elect a woman president?" And my response to that is, we won't know until we try. And I am prepared to win this campaign.

(APPLAUSE)

Now, certainly it's not a hard sell in the home of Nancy Pelosi, Dianne Feinstein and Barbara Boxer.

(LAUGHTER)

But I would venture to say that each of them, who bring different talents and extraordinary abilities to their public positions, are elected time and time again not because they're women, but because they're the best person for the job to represent San Francisco and California.

(APPLAUSE)

So although I'm very proud to be a woman, I'm not running as a woman candidate. I'm running because I think I'm the best person to hit the ground running in January 2009 on behalf of America at home and abroad.

Thank you all very, very much.

(APPLAUSE)

Thank you all. Thank you all very much.

Now, I think we have a couple of young volunteers with microphones, if they're here. Are they here?

So if people will just raise their hands who have questions, these young people with microphones will ask you to come out to the aisle so that they can give you a chance to ask your question.

So we'll start right over here.

QUESTION: Thank you, Senator Clinton. Good job on ignoring the hecklers.

(LAUGHTER)

When we make you president, will you please make Bill secretary of state and Al...

(LAUGHTER)

... the head of EPA?

(APPLAUSE)

CLINTON: You're not the first person to ask me that.

(LAUGHTER)

I may be wrong about this. I really need to check it because, seriously, people were asking me all over the country. You know, he is the most popular person in the world right now...

(LAUGHTER)

And I'm very proud of that, because he's doing a great job, trying to bridge some of the gaps that have grown up between us and the rest of the world.

But I think, ever since President Kennedy and Attorney General Kennedy, there's been a law against that -- I think.

(LAUGHTER)

However, I will promise you this: As president, I will continue the tradition of using former presidents as often as I can...

(LAUGHTER)

... to solve problems around the world and deal with the issues that we have to address as a nation.

(APPLAUSE)

QUESTION: And I would like to ask you, Hillary, very specifically, how are you going to address the -- increase the rate of the college-going rate in this country?

CLINTON: Thank you for asking that, and thanks for College Track. It's a great, great program. And I have followed it with a lot of interest and admiration.

Well, let me give you what I see as the longer-term answer, and then the shorter-term fixes.

Longer-term, we have to start with pre-school programs, to better prepare children who are otherwise going to be left out of not only the education system but the economy.

And you know, I've been a children's advocate most of my adult life, going back to work I did when I was a law student, articles I wrote, my involvement with the Children's Defense Fund and other organizations.

And so I'm -- probably, you naturally would expect -- an advocate for pre-school -- you know, high-quality child care, Head Start-like programs.

We have so much evidence that it really can make a difference in improving young children's receptivity to learning, their vocabulary and all the rest.

But I'm also an advocate of that because it makes economic sense. You know, the Federal Reserve Board of Minneapolis just published a study.

CLINTON: They asked themselves this question: What one thing -- one investment -- could we make that would most likely improve the quality of the American workforce for a more competitive global economy?

And people thought maybe they'd come back and say we need better transportation to get workers into the cities, or whatever they might have suggested.

They came back and said preschool. They said it had more of a payoff than anything else.

But that's a long-term solution. And then, obviously, the entire educational process has to be more responsive to an individual student's learning needs, because we don't have cookie-cutter children and we shouldn't have educational policies that treat them all as though they're little widgets that, you know, can be moved around from desk to desk and class to class.

(APPLAUSE)

So I want to help to re-imagine and redesign how we do education, and get it out of what is still a kind of industrial plant model -- you know, certain hours; difficult for working parents to be involved. We've got to get parents to be more supportive of education and the like.

But in the short term, we need to do several things. We need to increase the amount of the Pell Grant and make it year-round. That is the best way for low-income students to get additional help.

(APPLAUSE)

Number two, we've got to recognize that we have a lot of nontraditional students. The number of people who are going to college now that are not straight out of high school, but in their 20s, 30s, 40s, has increased. I think it's like 35 percent or 36 percent of the whole student population are these, quote, "nontraditional students."

A lot of them have other responsibilities. They have jobs. They have children. Oftentimes, they have very sporadic transportation.

They don't stay in school a lot of the time not because they're not doing well in school and they don't have the money for tuition and books -- the rest of their life falls apart. They can't keep going because they don't have the support services.

Way back in Arkansas, I started a program for a single-parent scholarship fund, not to help nontraditional students deal with their educational expenses, but everything else that they need to keep going in order to finish their education.

CLINTON: As you know, they're on the brink of getting their nursing degree, their child gets sick, they don't have any health insurance, they've got to go back to full-time work. Things like that.

So we've got to recognize that we're still thinking of students who are 18, 19 years old. That's no longer enough. We've got to be more open-minded.

Thirdly, we need more need-based scholarship aid.

(APPLAUSE)

It used to be we had merit-based for a very, you know, few but significantly high-achieving students, and then we had a lot of need-based aid.

Well, in the last several years we have moved dramatically toward a merit-based system. And so that means somebody like my daughter could qualify for aid when she doesn't need it. And some young person who is working as hard as can, maybe had to work to go through high school with a B or a C average, but is motivated, could get shut out.

So I just want to get back to where we have more need-based scholarship aid.

(APPLAUSE)

And I hope finally that we'll get the cost of loans down. It's been really outrageous how high tuition has gone, much faster than the rate of inflation.

And then the loan rates, the interest rates, have also gone up. I have legislation called the borrower's bill of interest because I'm tired of youngsters and their families basically being subjected to bait and switch. They sign on to one interest rate, then a few months or years later it gets increased, their debt load goes up, they can't necessarily make the payments.

So we just need to get a lot of transparency and cut the costs there, because ultimately it is in America's interest to send more young people to college.

So these are some of the ideas I have, but I'm open to a lot of other ones. My ultimate goal is just to make sure the doors to college are not shut on anyone who is motivated and ready to learn and get their degree, help themselves and help our country.

(APPLAUSE)

QUESTION: For the last 25 years, I've been a supporter of owner- occupied and renter-occupied affordable housing.

QUESTION: And as you probably know, northern California -- and California in general -- really has a crying need for more affordable housing.

I'm wondering what your attitude is toward it and what you think the federal government, should you be president, can do to aid that situation.

Thank you.

CLINTON: Well, thank you for the work that you've done because it's one of the biggest problems across our country.

And it's most acute in places like San Francisco or New York, where affordable housing is disappearing fast, both owner- and rental- occupied housing.

So I very much want to find some new ways of providing more affordable housing.

What I'm trying to do right now, while we still have two more years of the Bush administration, and with the budget that they've submitted, which was really disastrous for most of the programs that we care about: Cutting children's health insurance programs, cutting affordable housing programs, cutting all kinds of programs.

We have to hold the line on the public programs we have: Section 8 housing, Hope 6 housing. Because if they were to be decreased significantly, as the Bush administration wants, then your problem of trying to get affordable housing would be even greater than it already is.

So you have to hold the line on a lot of these public programs until we figure out a better way of doing it.

But I believe there's got to be a new federal housing program that does several things: comes up with new ways to incentivize the construction of both owner-occupied and renter-occupied housing.

And I would look to the private sector to help us with this. I mean, there's got to be -- maybe not the highest rates of return, but steady return for partnering with governments at local and state levels to come up with plans that build and provide that kind of housing.

I also think we've got to do more on the financial literacy side. I've done some work in New York where I've gotten, actually, legislation you may be aware of, where employers would get some tax help if they would help provide money for the downpayment or money toward

the first couple of months of mortgage -- something that would give the employee a fighting chance to be able to afford to go into his own home.

But obviously, if the potential home buyer is not financially literate, a lot of bad things can happen because we now see some of these no-money-down mortgages and some of the other devices that have been used that are coming back to haunt people.

CLINTON: So we need to be really focused through employers, particularly, about how we can help lower income families understand that many of them are paying rents that you could, with proper management, turn into a mortgage.

How do we help them do that? How do we give the employers some opportunities and incentives to do it?

So I would be really open to any ideas you have. I know it's a problem, and I want to address it because people are now being pushed further and further away from their workplaces, so it's in the interest of hospitals and other large employers to have some affordable housing within easy communicating distance.

Thank you for your work.

(APPLAUSE)

QUESTION: I'm asking you a process question: We've had multiple national elections now -- 2000, 2002, 2004 and even 2006 -- in which there have been gross irregularities in terms of disenfranchisement, intimidation of voters, fraud with voting machines and stuff.

What is your campaign doing that's going to protect the election in 2008 and also to have mechanisms for enforcement of improper activities that don't depend on Alberto Gonzales?

(LAUGHTER)

(APPLAUSE)

CLINTON: Well, I think that's about the most important process question I could be asked, because it's been maddening, hasn't it, to see what's happened in our elections in the last six years, particularly.

I have legislation, which is called the Count Every Vote Act, which tries to deal with every one of the efforts to defraud voters, to disenfranchise voters, inequitable allocation of resources -- you know, one precinct gets 10 machines, the precinct that is a minority population next door gets two machines and the college campus down the way gets one machine.

CLINTON: I mean, there are so many games that have been played by local officials, in addition to all the problems we've had with the voting machines.

And to really tackle this, we need comprehensive legislation. And I'm delighted that Senator Feinstein is now chairing the Rules Committee, under which election reform and these process questions falls.

And we couldn't get a fair hearing from the Republicans. I voted against the HAVA Act because I never thought the Bush administration would fund it or enforce it fairly.

So Senator Feinstein is going to be coming forth with new legislation. My staff and hers are working closely together.

So, on the legislative side, I think we'll get some better framework than the one we have now.

Let's get rid of, for example, the conflict of interest between the people who sell you the machines and the people who support certain candidates.

(APPLAUSE)

That's for starters.

(APPLAUSE)

But when it comes to my campaign, we will certainly run a very vigorous voter protection effort. Because I think it's just inexcusable that we would have any doubts or concerns about the integrity of our elections.

But I know that there may be still some residual desire, on the part of some, to mislead voters.

We saw evidence of that in '06, where, despite all the publicity, we had efforts to jam phones so that people couldn't get information. We had efforts to harass people with phones, pretending they were from another candidate.

We had information given to voters, particularly elderly voters, voters of color, that they were to vote on a different day than the day that the actual election was held. We have a lot of evidence of that.

So we're going to be extremely vigilant and run a ground campaign, with a lot of local officials and a lot of lawyers to try to prevent any of that kind of interference.

But we're going to need citizens to be particularly vigilant. And let me just put in a pitch for people to work at the polls.

(END AUDIO FEED)

END

SEN. CARL LEVIN HOLDS A HEARING ON GLOBAL THREATS TO U.S. SECURITY, 2/27/2007

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: Mr. Chairman?

(LAUGHTER)

LEVIN: I'm sorry.

CLINTON: It's all right.

LEVIN: Senator Clinton?

CLINTON: Thank you, Mr. Chairman. I appreciate that.

Admiral McConnell, the annual threat estimate characterizes Iran as determined to obtain nuclear weapons. In response to the series of questions from my colleague, Senator Graham, you obviously agree with that assessment.

I want to ask it a little bit differently: What is the best estimate of the U.S. intelligence community for how long it would take for Iran to develop nuclear weapons and the capacity to deliver them? And what degree of confidence do you have in that estimate?

MCCONNELL: The earliest they could produce a nuclear weapon would be early next decade, more likely, mid- next decade.

CLINTON: And by mid- next decade, are we talking 2015?

MCCONNELL: We would be talking 2015.

CLINTON: And when that date is reached, 2015, which is the earliest that they could produce a nuclear weapon, would they then have the capacity to deliver that nuclear weapon?

MCCONNELL: It depends on how they develop their program. If they were to start the program for delivery consistent with the development of a nuclear weapon, they could match and marry up in the same time frame. Normally it would take a little longer to have a delivery capability.

CLINTON: Thank you, Admiral McConnell.

General Maples, in 2005, Admiral Jacoby told me in testimony before this committee that North Korea had the ability to arm a missile with a nuclear device.

CLINTON: I think it was the first time that that testimony had ever been given in public.

And last year, General Maples, you told me that North Korea is, and I quote, "in the process of developing an intercontinental ballistic missile capable of delivering a nuclear warhead, but they have not done so yet, nor have they tested it."

Given the July 2006 missile tests, would you revise your assessment of whether North Korea has developed an intercontinental ballistic missile capable of delivering a nuclear warhead to the United States? If not, how many more years before North Korea has this capability?

MAPLES: I believe they have the technical capability, as we saw by the Taepo Dong, but they have not successfully tested it yet.

CLINTON: I just want to be clear that when we're talking about the technical capability, we're talking about a missile launched from North Korea that could reach California.

MAPLES: That's correct.

CLINTON: And with your assessment, do you have any best estimate as to how many more years before they would have a deliverable capability?

MAPLES: I would probably estimate it's not a matter of years; that in fact they will have learned from the Taepo Dong launch of this last summer and gone back to try to make corrections to whatever the failure was and apply that to the missile systems that they already have.

CLINTON: I'd like to ask Dr. Fingar, because I understand you have an expertise in China -- and also General Maples -- in your written statement that was submitted to the committee regarding China's military modernization, you state that you assess China's aspirations for great power status, threat perceptions and security strategy would drive China's modernization efforts even if the Taiwan problem were resolved. Is that correct?

FINGAR: That's correct.

CLINTON: Your written statement, however, fails to mention China's January 11th anti-satellite test. So perhaps this goes more to General Maples, but obviously I'd be pleased to hear from anyone on the panel.

CLINTON: Given China's recent anti-satellite test, and the Chinese government's professed opposition to the weaponization of space, what explains, in the opinion of any of you, the government's decision to permit the military to conduct such a test?

Do you believe that the leadership, either civilian or military, was aware of the potential negative implications in terms of U.S. diplomatic and potential military response, or was there some other motive at work?

I don't -- General Maples?

Dr. Fingar?

MAPLES: I just thought that, you know, I believe that the Chinese and the Russians to some extent will continue to pursue space and counter-space capabilities, as they demonstrated by the launch of the SE19.

CLINTON: And do you see that as fitting into your assessment that they're going to continue to modernize, regardless of any other factor that is going on, including the status of Taiwan?

MAPLES: They will continue to modernize, yes, ma'am.

CLINTON: Well, then, let me ask each of you to briefly respond -- in your opinion, under what circumstances would China become a military threat to the United States?

MCCONNELL: China today could be a military threat. They have intercontinental ballistic missiles, nuclear warheads and so on. So it's a matter of their building their military, in my view, to reach some state of parity with the United States.

So in a threat sense, it becomes intentions. So they're a threat today; they will become an increasing threat over time.

CLINTON: Dr. Fingar?

FINGAR: Well, they've certainly had the capability for decades. But they have appeared to have decided that we are not an enemy; that they require a peaceful international environment in order to proceed with their own efforts for economic modernization, in order to address their very severe social problems.

But they are a country with a history of, in their view, having been victimized by stronger external powers. And they take national defense, including lessons learned out of Desert Shield and Desert Storm -- forward defense -- to heart.

CLINTON: I appreciate your commenting. And perhaps this is an issue that we can explore further, because, obviously, both within their government, as well as within ours, there is a debate occurring as to how to view each other. And I personally think it's one of the most important debates for us to get right.

And finally, Dr. Fingar, in response to a series of questions about the NIE on Iraq, do you have an opinion about the impact on Iraq's potential for stability and security of a phased redeployment versus a rapid withdrawal?

FINGAR: Senator, I do not. It's not a question that I have looked at or that we have looked at.

CLINTON: I think that's important.

And I appreciate your candor on that issues. Because, clearly, the conclusion some are drawing from the NIE would suggest that there was an opinion and that you had such an opinion. And I appreciate your response to my question.

Thank you, Mr. Chairman.

[GAP - FROM LATER IN HEARING]

CLINTON: Thank you, Mr. Chairman.

Mr. Chairman, I think it would be useful to have the committee staff look into the chronology of the activities surrounding our statement back in 2002 about North Korea's highly enriched uranium program.

My recollection was that we stopped sending fuel oil before North Korea pulled out of the NPT and dismissed the IAEA inspectors.

But I think this is very important, because we've learned some lessons. I think we've learned some lessons about what not to do in dealing with serious threats such as that posed by a nation like North Korea and others obtaining nuclear weapons.

But if we could get that chronology.

LEVIN: The committee staff will do that.

CLINTON: Thank you, Mr. Chairman.

LEVIN: And, by the way, my recollection is the same as yours: that we did stop sending the heavy fuel oil to North Korea before they withdrew from the framework and left the IAEA. But we will have the staff double-check that.

CLINTON: Thank you.

Vice President Cheney was in Pakistan yesterday. And from the news reports, it appears that he delivered what is referred to as a stiff message -- stiff private message to the Pakistani government to crack down more effectively on the Taliban and Al Qaida inside Pakistan.

I assume, Admiral McConnell, that Vice President Cheney was briefed in an up-to-date way about whatever intelligence assessments were attributed to our understanding of Pakistan before he went. Is that correct?

MCCONNELL: That is correct. And, in fact, he was accompanied by the deputy director of CIA to ensure he had all the current information.

CLINTON: So I just want to ask you therefore, based on that and based on Vice President Cheney's apparent mission there, is it the assessment of our intelligence community, number one, that Pakistan is capable of doing more with respect to Taliban and Al Qaida than they have currently have done; and, number two, that President Musharraf's hold on power within Pakistan is firm enough for him to take such additional steps?

MCCONNELL: One, we believe they could do more.

And the issue of being elected for the next term is the issue that, in my view, that the president of Pakistan is wrestling with.

He signed the agreement with the tribal leaders in the frontier area, as you're aware, last fall. And the question was, he was taking casualties for going into those areas attempting to chase Al Qaida. He believed -- he, the president of Pakistan, believed that he could be more effective by signing this peace agreement.

MCCONNELL: And from our point of view, capabilities of Al Qaida for training and so on increased. Therefore, the vice president's visit and others visit to make the case that we have to be more aggressive in going after Al Qaida in Pakistan.

The balancing act, of course, is the president's standing in that country with an election coming up this fall.

CLINTON: Thank you.

LEVIN: Thank you, Senator Clinton.

We'll now adjourn to S-407. We're not sure how long that will last. It should be fairly brief, but we will go immediately, those of us who are able to go to S-407.

Thank you all very much for your testimony. And this part will stand adjourned.

END

"Power Lunch," CNBC, 3/1/2007

MR. GRIFFETH: And welcome you back to "Power Lunch." I'm Bill Griffeth, along with Sue Herera.

I suspect when the secretary gets back to his office at the Treasury Department, he will have this letter sitting on his desk waiting for him. It is a letter from Senator **Hillary Rodham Clinton** of New York, expressing concern about the level of foreign ownership of U.S. debt. She also sent this letter to Federal Reserve Chairman Ben Bernanke.

And we're pleased to welcome Senator Clinton, joining us today from Capitol Hill. Senator, good to see you. Thank you for joining us.

SEN. **CLINTON:** Oh, it's my pleasure.

MR. GRIFFETH: What specifically is your concern about that? What are you expressing to the chairman and the secretary here?

SEN. **CLINTON:** Well, I think what has happened over the last 48 to 72 hours should be a real wake-up call for our country. Obviously the level of our public debt that is now held by central banks and foreign governments is a problem. And I don't want the administration to ignore this wake-up call and just hit the snooze button again. We've got to get serious about our own fiscal house, because as you just heard from Secretary Paulson, a lot of the issues we need to deal with, such as protecting intellectual property, pushing for good contractual and judicial systems in countries with whom we do business, are made all the more difficult if we are dependent upon foreign governments, such as China, to continue buying our debt. It is hard to negotiate from a position of strength with your banker.

And so I would hope that the fiscal situation we find ourselves in, the very large trade deficit that continues to increase, will give the administration some impetus to start addressing it seriously.

MR. GRIFFETH: So your fear is what? That they would -- could choose to sell their holdings and what the implications would be for that? Is that what you're worried about?

SEN. **CLINTON:** Well, I'm worried about several things. All of the issues that we know we have to address in order to have a robust but fair global marketplace depend upon other countries frankly changing some of their ways of doing business. I think Secretary Paulson just talked about that. You know, we need to protect our intellectual property. We need other countries to do the same in order for us to feel comfortable trading with them. We need to try to prevent piracy, which takes billions of dollars out of the pockets of, you know, American businesses. And there's a host of other issues that we should have a more concerted effort addressing.

But it is more difficult that -- in order for us to do that if we are so dependent upon foreign governments waking up every morning and buying our debt. We're now at \$2.2 trillion of our publicly held debt, about 44 percent, in the hands of China, Japan, the OPEC countries. I think we are losing our leverage to make the sorts of changes, from intellectual property protection to currency evaluation, that we need to do.

MR. GRIFFETH: Okay. And in fact, as you may know, Chairman Bernanke was testifying before a House Budget Committee hearing yesterday, and he was asked about this very issue repeatedly. Here is what he said about that.

BEN BERNANKE (chairman of the Federal Reserve): (From videotape.) It's not in the interest of China or Japan to dump treasuries on the market. They themselves would suffer capital losses from doing that. The market would adjust. It is a liquid market. And the holdings of, say, China of U.S. debt securities, including both public and non-public, is only about 5 percent of the total credit market outstanding.

MR. GRIFFETH: Is it possible your concerns underestimate the size and resilience of the U.S. debt market?

SEN. **CLINTON:** Well, I'm very sure that we have a resilient market. My point is, why do we want to risk it? Why do we want to get to a situation where we even have to worry about this?

And when rumors of a capital gains tax in China can send the Shanghai market plummeting and then cause a ripple effect across the globe, we're in a different environment.

And I hear the administration and many others speaking about how liquid the capital markets are and how, you know, much investment credit there is around and how we shouldn't really worry about this. I think it's fair to say: Wait a minute. Let's at least factor it in.

There are many others, including myself, who are trying to raise, if not a red flag, a yellow one and asking what we can do to better prevent and frankly protect against decisions over which we are increasingly losing control.

MR. GRIFFETH: As you can imagine, we talk about this a lot here on a business channel, on CNBC. And most often the economists, when we talk about this issue of the level of foreign ownership of U.S. debt, they will point to the benefits to the U.S. economy. In other words, as the -- you know, it is the level of foreign ownership of U.S. debt in the last decade or so that have kept interest rates as low as they have been, which has been a benefit to the U.S. economy, to those consumers who need to borrow to either buy a house or to start a business, and so on. So are we ignoring the benefits of what we're talking about here?

SEN. **CLINTON:** I'm asking that we look at the entire picture. You know, corporate profits are up. CEO pay is up. Productivity of the American workforce is up. But the average American is only now barely beginning to realize some of those benefits, because wages and income have been largely stagnant.

We are seeing a continuing hollowing-out of our manufacturing base. I for one think that is a long-term problem for our country. We are losing even white-collar jobs and highly educated jobs, you know.

So yes, we are, you know, in effect buying a lot of products and depending upon the foreign governments who are helping to export those products to our market not to change policy. I think that is a slow erosion of our own economic sovereignty. I think we need to give some serious thought as to how we can better position ourselves, given the realities of an interdependent global market.

But I'm in favor of doing all that I can to make sure that the standard of living and the quality of life of Americans does not suffer over the long term. And I think we need to factor that in, and that's what I've asked that, you know, the secretary and the chairman at least give some serious thought to.

MR. GRIFFETH: Well, let me ask you. Let's cut to the chase on this. Would you propose limiting the level of foreign debt held by -- of U.S. debt held by foreign entities?

SEN. **CLINTON:** Not at this time, but I certainly would propose that our country get back to more fiscal responsibility, so that we were not pumping out as much debt and having such a high need for us to go into the global capital markets.

You know, it was only what, six years ago that we had a balanced budget and a surplus. And I remember at that time some commentators saying: Well, you know, we really have so much surplus now that we have to worry about reducing the debt too much.

Well, you know, we go in this country from sort of one swing of the pendulum to the other. I'd like us to try to just be sensible and reasonable about the balance we should strike. I want us to be globally competitive. I want us to be competing in the global markets. But I also want the countries with whom we do business to have protections for our intellectual property. I want them to have a rule of law that is enforceable. I want them not to manipulate their currency. And I don't want our country to be so dependent upon fiscal and other economic decisions that are made in foreign capitals.

MR. GRIFFETH: Even though --

SEN. **CLINTON:** That's up to us. It's not up to someone else to do what is in our best interest. It is up to us to put our own fiscal house in order.

MR. GRIFFETH: Well, even though, as Chairman Bernanke has said repeatedly when asked about this, that -- let's face it -- when foreigners buy our debt, that is a vote of confidence in the stability and the strength of the U.S. economy and the government.

SEN. **CLINTON**: Well, it's also because we're putting out so much debt. I mean, yeah, exactly, there is a market because we are going increasingly further into debt. And therefore we are not paying attention to the challenges we should meet. Because we're not investing in new energy technologies at the level of an Apollo project, with a national framework, other countries are going to be first to the starting blocks with that technology. Because we're not dealing with our health care costs, other countries are going to continue to have a competitive advantage over us. And we're not dealing with global climate change, and the list goes on.

So I think that there are costs to every decision. There are upsides and downsides. I just want us to be, in my view, more realistic at looking at some of the downsides.

We are not reinvesting in our own economy. We are driving up a debt. We are not paying for a war that the president continues to escalate. And we are then going into the global capital markets. And yes, we are an attractive market to everyone. Let's also be an attractive place of investment on behalf of America's long-term interests as well.

MR. GRIFFETH: Senator Clinton, thank you for joining us today. Appreciate it.

SEN. **CLINTON**: Thank you. Good to talk to you.

MR. GRIFFETH: Hillary Clinton there, senator from New York, in Washington.

SEN. CARL LEVIN HOLDS A HEARING ON AFGHANISTAN, 3/1/2007

COMMITTEE: SENATE ARMED SERVICES COMMITTEE

CLINTON: I really appreciate Senator Webb's line of questioning because it really illustrates the continuing difficulty we have at sorting out what it is that's happening on the ground.

And what I'm concerned about is whether we are losing time to be able to get that figured out. I think we are really at a tipping point in Afghanistan. I felt that when I was there last month.

And I hope that the administration's commitment to new troops, the effort to get NATO more focused, the hope that we can strengthen the Karzai government all has to happen simultaneously in order to take on these challenges, whether it be a new offensive this spring or the growing strength of the druglords.

I wanted to switch gears for a minute though, because there are many things that have been spoken about that are very clearly difficult to America to influence.

CLINTON: But I want to talk about force protection for our forces and their quality of life because we are putting more in, number one. And number two, I think we all believe the violence will increase.

Whether we will see an explosion of violence that brings other elements of the Afghan society into it as we saw after the bombing of the mosque in Samarra, I don't know. But, clearly, with the uptick in suicide bombers and some of the other activities that we are seeing, there is going to be a big push to escalate the violence.

Now, earlier this month, the 82nd Airborne Division assumed responsibility for combat -- the combat mission from the 10th Mountain Division, which is based at Fort Drum in upstate New York. And as subordinate units from the 82nd moved into position, 10th Mountain Division, 3rd Brigade Combat Teams were displaced to Jalalabad.

And what we're getting in reports back to Fort Drum -- in fact, a February 26th Fort Drum news release highlights the issue I want to discuss with you. There's a sergeant first class who's quoted by saying, "The amount of people on the FOB and the amount of billeting didn't coincide." In other words, soldiers were living in a variety of very difficult and challenging living conditions.

My concern is that with a build-up and offensive capability coming from Pakistan and other areas within Afghanistan whether we're also leaving our troops more exposed than they need to be, particularly in these forward-operating bases.

It is disconcerting to extend a brigade by four months, which is what we did with the 10th Mountain Division, and make further demands if we don't have some adequate planning and execution for their logistical needs.

We are getting reports that we don't have enough bunkers, force protection barriers, checkpoint security systems, artillery radar systems, UAVs and other critical equipment for expanding the mission as I think the majority, certainly speaking for myself, agree we must do.

The deficiencies in the GAO report highlighted equipment shortages in the CENTCOM areas of operations. I've referred to that earlier in hearings focused on Iraq, because that was a constant source of complaint on my recent trip in my discussions with a lot of the soldiers and Marines who have returned from their deployments.

So I think that it would be incumbent upon you, General, and others to make sure we don't have shortages in resources as we are adding more American troops, and that we have the services and logistics for the arriving troops.

And, again, I see this as an issue of force protection primarily.

What I wanted to ask about is an article in today's New York Times that NATO and American forces knew there was a suicide bomber in the Bagram area before the suicide bomb attack that killed 23 at the main gate.

CLINTON: You know, probably all of us have been at Bagram. We know the security checkpoints one goes through.

We know, obviously, that the vice president was there and that the timing of the suicide attack, some have said, at least contributed to the sell-off in the stock market. Whether it did that or not, it was a serious and concerning incident.

Apparently, according to this article, the Afghan police chief in the area said he had not been informed of the possible threat.

Now, I'd like to ask the general first and then the ambassador: Is there a reason why the Afghan police forces would not have been notified?

And what mechanisms exist for coordinating with Afghan forces when intelligence threats are received?

How would you analyze what happened or what went wrong here?

LUTE: Well, Senator, I'm aware of the same reports today that you refer to.

It is not usual that specific threats would not be coordinated with all elements that could address them to include the Afghan police.

I do know that there are force protection mechanisms in place around Bagram, and every place else that we have Americans stationed, that feature close coordination with local officials.

So this caught me a bit short as well. And I really can't explain it today, until I have some time to look into it.

The other point, though, I'd make is that -- without crossing into the classified realm -- is that, with the suicide bomber roughly every third day, last year, in Afghanistan -- so over a hundred suicide bombers last year -- most of them acted without any specific indications in terms of time and place.

So while there may well have been a report, it was probably not specific in terms of time and location. And, of course, that doesn't lead us very far, in terms of what we might do by way of prevention.

CLINTON: I think it would be useful, General, to perhaps submit some additional information to the committee, after you've conducted further inquiry.

LUTE: Fair enough. We'll do so.

CLINTON: And, Ambassador, do you have anything to add?

EDELMAN: No, I don't, really, Senator Clinton. I saw the same story in the Times today, but like General Lute, I didn't have any awareness that there had been a specific intelligence report. So we'll check into it and get back to you.

CLINTON: Let me also ask that, with the changes in command that have occurred recently, with General McNeill, the overall senior NATO commander, with our ambassador in Afghanistan scheduled to leave, with our ambassador in Pakistan leaving, I think we're really going to regret the disruption of all these relationships.

I've suggested to the White House that they at least try to get some permanent presence with a high-level presidential envoy to move back and forth between Afghanistan and Pakistan.

There's so much disagreement and misunderstanding, as well as different perspectives about what should be in the interest of both of these leaders and their countries.

But I'm just worried that what we're seeing is an unraveling situation that will accelerate because there are no -- there's nobody there who has any ongoing relationship base.

And I'm also concerned about the command changes and adjustments about lines of authority in Afghanistan. And again, General, maybe you could get back to us on this. Who authorizes targets to be bombed? Who gets priority for medevac assets? Who gets priority for artillery support or receives logistics, in what priority?

What rules of engagement are now actually in effect? We've had these problems with NATO countries sending in troops but having different rules of engagement. Where does that stand now?

And who sorts out all of the potential disagreements among the various groups?

LUTE: Senator, the 32,000 troops, to include 15,000 Americans that are part of the NATO structure -- so ISAF -- are under one set of rules of engagement. They're approved by the North Atlantic Council.

General Jones is the resident expert in this room, in terms of the specifics, but all those troops operate under the same rules.

What distinguishes some national contributions inside that structure from others is that some are assigned missions that don't take them into the combat realm.

So there are some forces inside that 32,000 NATO force structure that conduct PRT, provincial reconstruction team, missions and not combat operations.

LUTE: But they, nonetheless, operate under the same ROE.

As for the list of different forms of support -- casualty evacuation and close air support, logistics and so forth -- those are all today coordinated by a four-star NATO commander who happens, today, to be a U.S. commander, General Dan McNeill, out of Kabul.

CLINTON: Just one follow-up: Are they the same rules of engagement that we had in Iraq prior to this latest escalation?

LUTE: They're not precisely the same, but they're very close.

CLINTON: There were many complaints about the rules of engagement, at least for our forces in Iraq. And they then changed because of the escalation, but I'd like to know what the differences are.

LUTE: The key difference in Baghdad, I think, is the place in particular that you're citing, was that before this recent change in azimuth in Iraq, there were political constraints on locations inside Baghdad and some political party affiliations inside Baghdad which prohibited, or at least inhibited, our operations against them. Those have been removed and we don't suffer than same problem in Afghanistan.

CLINTON: Thank you.

EDELMAN: Senator Clinton, if I might also address some of the understandable concerns I think you raised about continuity with some of the changes, I think there are some mitigating factors.

One is that General McNeill is, of course, going back for a second tour in Afghanistan. So although he is new to his current job and responsibilities, he does have familiarity with the key players like President Karzai and others.

And I think General Freakley is there for some period of time, the U.S. dual-hatted deputy. So there are some, I think, mitigating circumstances.

AT THE NATIONAL LEAGUE OF CITIES 2007 CONGRESSIONAL CITY CONFERENCE, 3/13/2007

(JOINED IN PROGRESS)

CLINTON: ... more than 30,000 children cut from Head Start, vocational training, low-income heating assistance, child care and proposals to cut back on the Children's Health Insurance Program. So these cuts are going to force you to have to make some hard choices.

Do you try to continue to pay for the programs for kids or the programs for seniors?

That's a difficult choice. Are you going to try to continue to do something for affordable housing or homeland security?

Running your cities becomes a zero-sum game. Every day you're robbing Peter to pay Paul, and too many of our families are paying the price.

I think we should restore the fundamental principle that I grew up with and that I think most of us have tried to live by: You don't spend what you don't have on what you don't need. We need to replace the economic policy...

(APPLAUSE)

We need to replace the economic policy of borrow and squander with the tried and true policy of save and invest.

And what kind of investments should we be making? Well, I think you and I have some of the very same priorities.

First, let's invest in broadband deployment to insure that all of our cities and every community within those cities have the tools they need to compete and win in the global economy.

(APPLAUSE)

You know, back in 2000, America was number one in the world in broadband access. Today we're number 12.

And I believe strongly in markets, but when the market isn't working because, as my companies tell me in New York, it doesn't make economic sense to go up to the Adirondacks or to go to rural New York and try to, you know, either provide fiber or wireless service; there's just not as many customers as they need. And they tell me the same for certain inner-city areas in New York City and some of our other cities: There aren't enough paying customers in their opinion.

Well, the problem is that we can't just let this be left to the marketplace. We did not leave electricity to the marketplace. We did not leave the interstate highway system to the marketplace.

When there are needs that we want to address because it will link our country together and link it to the world, we need to step in. And I think it is time for the federal government to step in with planning grants and broadband infrastructure, equipment grants, and cash incentives.

I've sponsored legislation to do exactly that.

(APPLAUSE)

And we also should make it absolutely clear that decisions about telecommunications laws should not just be made in a conference room in Washington. They should be made in consultation with all of you.

(APPLAUSE)

These laws will affect the quality of life and the standard of living in your cities. You need a seat at the drafting table. And I will continue to fight against the idea that somehow we should preempt you from taking action to have broadband deployment in your cities, because you know what is best for your constituents.

(APPLAUSE)

Second, we do need to work together on comprehensive immigration reform. Now, I know this is a complicated and volatile issue. And I want to discuss one piece of it, because I think that this is that point that we need to underscore.

Immigration is a federal responsibility. But for years state and local governments have been bearing the brunt of its costs to our schools, our hospitals, social services, law enforcement and others.

(APPLAUSE)

I hear this from my country executives, from my mayors, from my city councilmembers. You know, New York is a very welcoming place to immigrants. We are proud of our immigrant tradition. Lady Liberty stands there right in the harbor, welcoming people, and we take that seriously. You know, more than 40 percent of the population of more than 8 million in New York City were not born in this country. So we believe in immigration.

But we also believe in the federal government doing its part, because not one of you wrote the laws or directed the enforcement that caused you to have to spend money dealing with the problems that really should be the responsibility of the federal government.

(APPLAUSE)

I have sponsored an amendment that would not only put in federal dollars to the State Criminal Alien Assistance Program -- the so called SCAAP program, which is funding to the states -- but would also provide money to state and local governments to pay for immigration- related health and education costs.

(APPLAUSE)

And what I have tried to do in this amendment is to say that sometimes when money goes to the states -- you know, back after 9/11, I introduced the first legislation which said, whatever homeland security money you have, send it directly to the cities, the towns, the municipalities.

CLINTON: Save some for the states, but if you put it through the state governments -- as the wife of a former governor, I know it does take a while to get down to where you are at the grassroots level.

So on homeland security, on immigration, I want to require that 70 percent of the funds going to state for health and education be passed down to localities within 180 days. No excuses, get it out of the state government, get it down to you, so you can have those resources to deal with the problems you face on a daily basis.

(APPLAUSE)

Third, we need to break down the barriers to owning a home in America. Now, homeownership is at the heart of the American dream. And I share your concern about what's happening in the subprime housing market.

We have seen for several years now people buying mortgages with rates that suddenly skyrocket, leaving them scrambling to refinance, or being forced to default altogether. And, frankly, lax standards in this industry have led to our recent market turmoil.

Let's work together to curb predatory lending and abusive practices, and to educate homebuyers. We need to ensure that homebuyers know what they are signing; you know, what it is that they're actually agreeing to.

Because it is one of our goals to have as many people owning homes as possible. And, again, speaking from my experience in New York, there are families who are paying rent who could afford a home but they don't have the experience or the knowledge about how to do that and they're easy prey for some of those who are, frankly, selling products that will perhaps get them into trouble.

So we need more financial literacy and we need to work together.

You know, Mayor Delfino from White Plains is here. He and I have a program together where we brought in some of the large employers and encouraged them to provide financial

literacy and education to their employees, because it's becoming a problem for employers if their employees have to live so far away that commuting time is very disruptive, if you're running a hospital or a utility or some other large employer.

So there are good ideas around, and we need to be looking for those good ideas and putting them into practice on a broader basis.

Fourth, we should restore our investment in the Community Development Block Grants. Many of you have used those federal dollars to revitalize your towns and your cities.

(APPLAUSE)

And I want to get back to evidence-based decision-making. I think that would be really helpful. Because if we actually try to look at the facts, we may still disagree about what is to be done, but we won't be having these pitched battles where somebody says, "Well, this is what I believe," and somebody else says, "No, this is what I believe."

Well, let's look at the evidence.

You know, my wonderful predecessor, Senator Daniel Patrick Moynihan, famously said, "Everyone's entitled to his own opinion but no one is entitled to his own facts."

Well, we now have some recent studies that show that for every dollar the CDBG program invests in our communities, it leverages \$3 in private funding and investment.

Now, if someone offered you the chance to buy a stock with that kind of return, I think we would all jump at the chance. Well, let's be smart about how we leverage investments in our cities.

And every year the president tries to cut this program. And I hear from many of my mayors and local officials that CDBG funding is the most important federal aid they get for affordable housing, job creation and economic development.

CLINTON: And finally, I believe strongly we must restore full funding for the COPS program. We know that...

(APPLAUSE)

... we had a low crime rate during much of the '90s and the early part of this century. And a lot of things happened to bring that about.

We did have the COPS program, which put more police on the streets, more police in schools, more police in all kinds of settings. We had a real commitment to community policing. We took assault weapons off the street. We did things that actually gave police and local officials, you know, more support to do the hard work of keeping the criminals at bay and preventing crime, not just responding to it.

Well, over the past two years, violent crime has been increasing by double digits in cities across America. When I get visits from my mayors, whether it's, you know, Mayor Brown from Buffalo, or Mayor Duffy from Rochester, or Mayor Jennings from Albany or any of my mayors, the number one topic they now talk about, which wasn't the case when I first became senator, is the increase in crime, in gang- related violence, in gun crimes.

Eighty percent of cities surveyed in another recent report noted an increase in robberies. Sixty-seven percent had an increase in aggravated assaults with guns. Homicide is up 20 percent or more in some cities.

Now, these are not just numbers; you know that very well. This is about not only the victims of crime and their families. It is about people feeling unsafe again in our communities, people who are afraid to let their kids go outside and play, seniors who lock themselves in, afraid to go anywhere.

We had a horrible mugging the other day in New York City: A 101- year-old woman in her walker was attacked in an elevator. Now, she was pretty feisty...

(LAUGHTER)

... and she just showed great New York resilience and basically got the guy to run off, because she was able to prevent him from taking advantage of her.

But that was on the front page of our papers. Imagine how that makes every widow living alone, every older person, everybody -- we've got to go back to making crime reduction a number one objective in our country. And that means we've got to reinstate and fund the COPS program so we put more police on the street.

(APPLAUSE)

Well, I believe that if we look at some of these issues, which are all in your agenda, we're going to be making progress together.

But at the end of the day, we've got to do better. We've got to show, once again, that government is competent and effective.

Now, what does it make us feel when we see our soldiers coming home from Iraq and not getting the health care they deserve, not getting the disability benefits that they have earned because of the duty they did for all of us?

What does it mean when we still have more than 90,000 people living in trailers along the Gulf Coast?

You know, there's just so many problems that really are beneath us as a nation.

You know, we are the problem-solving nation. We can do anything we set our minds to.

In fact, our unbridled faith in the future and our optimism has always set us across -- set us apart from anybody else across the globe.

CLINTON: And, you know, sometimes we're kidded by it. People say, you know, "The Americans -- they're so optimistic, you know, they believe they can do anything." I do. And I think all of you do as well.

But we've got to have leadership that not only calls us to doing what is necessary but is competent in delivering what we have to do together.

And that is something that is nonpartisan, non-ideological.

(APPLAUSE)

We need to rise to the occasion again.

We need to move toward universal health care coverage. It is time that we provide quality, affordable health care for every American.

(APPLAUSE)

And we can do that.

We need to move toward a new energy future, where we use homegrown energy; we use the sun and the wind and what we produce agriculturally; and we unleash the innovation of the American genius to come up with even new ways of producing energy, to end our addiction to foreign oil.

(APPLAUSE)

And we need to be serious about dealing with climate change. Those of us who live in coastal states know that it is not some far- off threat.

You know, insurance companies are canceling policies along the ocean in New York and Long Island and New York City. And I know that's happening in other places. We need a serious -- a serious program to address that.

We need to get serious, too, about education. We need a universal pre-K program because, by the time some kids get to kindergarten, it's too late for them. They will be behind their entire lives.

And we know that it's one of the best investments we could make, if we are serious about lifting up the skills of our workforce.

(APPLAUSE)

And finally, we need to, once again, open the doors of college to every person who is willing to work hard to go to school.

(APPLAUSE)

It is now so much more expensive than it used to be.

So we have a big agenda before us here at home. And abroad, we've got to reestablish belief in America's values, and we have to reach out and create new alliances and more friends.

Because no matter what the challenge we confront, whether it is what to do in Iraq or dealing with global terrorism or HIV/AIDS or the spread of diseases like malaria that are moving north now because, unfortunately, the climate is warmer and the mosquitoes can live at higher latitudes, or whether it is any problem that cuts across national boundaries, we have to work together.

And we know we can do this because we've always done it in our history.

You know, I was reminded the other day that back in 1947 there was a smallpox scare in New York City. Someone was a carrier, had gotten off an airplane and gotten sick. And so the whole city knew that smallpox had come to New York City.

Well, in just one month, the New York City Health Department vaccinated more than 6 million people. They didn't have computers. They just lined people up. They sent out notices. They went door to door. They did it because they knew they had to do it. And they rose to the occasion.

We can bring the same sense of commitment and daring and optimism back to our country.

And I know that working together we can renew the promise of our cities. We can overcome any challenge. Because after all, we believe in and we represent the spirit of our great country.

Thank you all for everything you do. And I look forward to working with you in the future. Thank you very much.

(APPLAUSE)

END

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS BIPARTISAN 2007 PRESIDENTIAL FORUM, 3/14/2007

CLINTON: Thank you.

(APPLAUSE)

Thank you all. Thanks so much, and thanks for last night, too.

(LAUGHTER)

It's an honor and a pleasure to be here this morning. It was a lot of fun to be here last night.

(LAUGHTER)

You know, as I look around this room, which is packed with people whom I admire so much, I see a lot of old friends. And it's been an honor to stand with you.

We've stood together in good times and bad times. We've stood together when it seemed as though the darkness would never end, and when we finally saw the light.

So it is just a personal honor of the highest degree to be here today.

(APPLAUSE)

And I want to thank, also, my friend and your great leader for that wonderful introduction.

You know, Harold and Vinnie have been the heart and soul of leading this great, great union. And we've been through a lot. But the thing about going through tough times with Harold and Vinnie on your side is that you know that you're not going to be alone.

And that has meant the world to those of us from New York. And we have a lot of firefighters, from across New York, here today. And I want to thank you all for everything you do every single day.

(APPLAUSE)

You know, when I think about the work that you do and the service and commitment that you have given to your nation, I know that, for all of you, courage is a job requirement.

You don't make this decision to be a firefighter easily or quickly. You have to think about the sacrifice and you have to think about you families.

For you, when you go to work, when you go to that firehouse or that station, these are not just your colleagues; these are members of your extended family.

And I recognize how much this family, both the one that you leave at home, as you kiss your wife goodbye or you tuck you son into bed, are part of the commitment that you've made.

And I want to also thank your family members. Because it's not easy to see you walk out the door, to see you leave for that shift and just wait to make sure you've come home safely again.

So I want to express my gratitude to your families and to everyone who love you and support you in the work that you do every single day.

(APPLAUSE)

You know, Harold referred to our meeting that we had on the morning of September 12. On the day before, September 11, not only our country but the entire world saw for themselves what firefighters are made of.

You were the ones who ran into the fire. You were the ones who ran into the dust, into those collapsing buildings. And for some of your brothers and sisters, it was the last time you saw them.

But people who were not even on duty dropped everything they were doing to be there that day.

CLINTON: People who didn't even work for the FDNY, but who worked out on Long Island, who worked in Westchester, who worked in Connecticut, who worked in New Jersey, dropped everything they were doing.

And pretty soon, teams started coming from around the country, everybody saying, "We want to be there. We want to watch your back. We want to help search that wreckage to see if we can find anybody still alive."

When Harold and I spoke, it was a time of shock and confusion. Harold was kind enough to describe what I said to him, but I want to tell you what he said to me. He said, "We will stand with New York. Firefighters across this country and even across our border to the north will be there for you."

Well, Harold, you were true to your word. Not only you, but firefighters and paramedics and others poured in to our city. You shared equipment with us. You raised money for us. You worked side by side with us. And you prayed with us.

You were there when we needed you. And I want you to know that I will be there with you when you need me.

(APPLAUSE)

Now, we have to put this into a little bit of a context today. Because I know that many of you, including Harold and Vinnie (ph) were perhaps a little bit unsure about me when I started running. Now, that happens to me sometimes.

(LAUGHTER)

In fact, you might recall that back in 2000, you actually endorsed my opponent. But I never saw that as any kind of obstacle to working on behalf of your needs and your interests, just as when I ran for the Senate in New York I said I wanted to be a senator who represented everybody, people who were for me, people who were against me, people who didn't have an opinion, and I wanted to find ways we could move a common agenda forward.

And of course, a crisis brought us all together. And we rolled up our sleeves. And over the years, I've made wonderful friends with many of you. And I was very proud in my last election, to have the support of the New York firefighters. That meant the world to me.

Because without fail, we have to stand together. We have a lot of big problems that we're facing. And I think we can, once again, reassert America's leadership at home, restore our values, fulfill the promise of America, and get back to leading the world in the right way.

Now, that starts with restoring what I call the basic bargain. So many of us grew up with that. You know, we were raised to believe that if you worked hard and you played by the rules, you'd be able to build a better life for yourself and your family.

Well, I don't think in the last six years our country has actually been living up to that basic bargain. The leadership here in Washington seems to ignore middle class and hardworking families across our country.

CLINTON: Under this president's leadership household debt has soared, health care costs have skyrocketed, assuming that you have it. Wages have remained stagnant.

Now, corporate profits are up, and productivity is up, which means that Americans are working harder than anybody in the world. But we're not getting rewarded.

I'll tell you who is getting rewarded. Companies like Halliburton are getting rewarded with no-bid contracts. Then they move their CEOs across the ocean to another country and leave us hanging right here at home.

(APPLAUSE)

I'll tell you something else that we are going to have to deal with: the alternative minimum tax, which falls heavily on a lot of you and your families.

(APPLAUSE)

You know, for six years I've been saying, you know, with all due respect, do the billionaires in America need more tax cuts? Don't you think we ought to cut the taxes on middle-income people, and particularly those who are going to be hit by the alternative minimum tax?

(APPLAUSE)

You know, for six long years our president has not seen the vast majority of Americans. Not our middle class. Not our working families. He's looked right through them. To him, they're invisible.

You know, if you're a child sitting in a crumbling school you're invisible.

If you're a small-business owner who worries about energy costs or someone who can't afford to fill up your tank, you're invisible.

If you're a hardworking parent who needs affordable child care while you go to work, you're invisible.

Even if you're a soldier returning from combat who needs health care and disability compensation you are invisible.

Well, those days are over. You know, when we look...

(APPLAUSE)

When we look at the way our first responders have been treated, if you're a paramedic who got sick after 9/11, if you're a federal fire fighter who can't qualify for worker's compensation or disability retirement, if you're a retired firefighter who can't afford health insurance, well, you're invisible, too. It's great for the photo-ops, but how about taking care of the people who have taken care of us across our country?

(APPLAUSE)

Well, I want to make clear today you're not invisible to the people of our country, and you're sure not invisible to me. And when we retake the White House, you will no longer be invisible to the president of the United States of America.

(APPLAUSE)

And I want to say in this public setting that when I'm in the White House I'm going to be there for you, whenever you need me, on whatever you need me for, because there isn't

anything more important to me than taking care of our first responders. It is part of our national security. It is part of our moral obligation.

CLINTON: And being there for you means continuing the fight to ensure that you have everything you need to do your job: the equipment, the people, whatever it takes.

So let me tell you, when George W. Bush tried to cut the funding for the SAFER Act, which I co-sponsored, and the FIRE Act, I took that personally. And with my colleagues, we fought him. And when he did it again, we fought him again. And I'm going to keep on fighting until FIRE and SAFER are fully funded, whatever it takes.

(APPLAUSE)

Now being there for you also means caring for every fire fighter, every police officer, every paramedic, every volunteer or worker who has fallen ill in the aftermath of September 11.

It wasn't just people from New York who responded that day, and the days to follow, and the months to follow. It was people from all over our country.

And when I first visited the site, in the afternoon of September 12, I could barely see anything. The dark cloud was so thick. But I could smell it, I could taste it, I could feel it.

As I watched the first fire fighters walking out of that curtain of darkness, covered in black soot, barely able to stand, dragging their axes behind them, I knew that the effects of 9/11 would last long after September 11.

Within days, the so-called World Trade Center cough began to appear. Young men and women in the prime of their lives developed asthma and bronchitis and laryngitis, and their livers were polluted, and their lungs were failing. And people who before September 11 could lift three times their body weight could barely stand. They were so bent over in pain.

They couldn't sleep lying flat in their beds anymore. They had to sit up all night long. People who used to be able to run miles without stopping, could no longer breathe going up a flight of stairs. Working hand in hand with many of you and with the IAFF, we created a program to screen and monitor those who were sick. And we got \$90 million to expand it.

CLINTON: And when President Bush tried to take \$125 million back, we knew we had to draw the line. And you, once again, came in and helped us win that fight.

Let's just say the president picked a fight with the wrong people. We won it.

(APPLAUSE)

But we didn't stop there. With your help, I was able to introduce legislation asking for more than \$1.9 billion for medical and mental health monitoring and treatment.

We're going to keep working on this, not just this year and next year, but as long as our first responders, our workers, our volunteers and residents need help.

Being there for you also means getting smart about homeland security. As you know, all too well, we confront a new enemy and a new kind of warfare. It's really the warfare of cowards. It's people who sneak around and blow themselves up or place bombs in cars, who have a

philosophy of nihilism. You know, they may dress it up in a kind of perverse version of religion, but it's really about destruction and death.

And it is imperative that we stand against them. Their warfare is not conducted by armies or navies, but by criminals, by insurgents, by militias driven by this twisted hate.

And it's been frustrating for many of us, because we can't get the resources to match the rhetoric. We get a lot of tough rhetoric out of Washington, but when it comes to paying for over time, getting you the equipment you need, not the equipment they want to give you, providing the money directly to local communities and not passing it through the states, well, we haven't gotten what we know we need to protect our country.

And in this latest budget, the president is proposing to cut funds for first responders at the Department of Homeland Security to the tune of \$1.7 billion. Well, the way I see it, saying you believe in homeland security without funding first responders is like saying you believe in building a hospital without doctors and nurses.

If we don't fund you, we're not funding our first line of defense. And we're going to need to work together to make that happen.

(APPLAUSE)

And as Harold knows, and all my folks from New York know, we have been fighting for interoperable communications since September 12th.

CLINTON: We have put in legislation. We've asked for more money. But when firefighters can't talk to police officers; when emergency responders in one state can't talk to those from another -- we not only saw it on September 11; we saw it again during Hurricane Katrina, a crisis that really, once again, put firefighters in the forefront.

And just think about what's happening, where your brothers and sisters are trying to operate out of trailers, and they're still using ruined equipment that we still haven't replaced.

What was a natural disaster was turned into a national disgrace.

(APPLAUSE)

And we need to get the funds directly where they are needed.

(APPLAUSE)

And being there for you means trying to end the war in Iraq in the right way. Because firefighters have fought and died in Iraq. And we were heartbroken to learn that those who had fought and been injured were languishing in Walter Reed.

I went out there, a week ago Friday, early in the morning, to meet with a bunch of soldiers from New York. Some of them had been tied up in the bureaucratic red tape until they were just beyond words.

They couldn't figure out, what had I done to deserve this? I served my country, active duty, National Guard or Reserve. Why am I being treated like that?

Well, the 2006 election sent a strong message that we do not want our young men and women in uniform to be in the middle of a sectarian civil war, where they don't know who is shooting at them and they can't figure out whose side they're supposed to be on.

(APPLAUSE)

Now, we're trying to introduce some rationality into this, in the Congress, trying to stop the escalation, because I profoundly believe that putting more of our young men and women into harm's way, unless the Iraqis decide to defend themselves, we cannot end this war for them.

If they're not going to stand up and take responsibility, we should not lose another American life. We should end this escalation now.

(APPLAUSE)

I hope that the president will extricate us from Iraq before he leaves office.

CLINTON: But let me assure you, if he doesn't, when I'm president, I will.

(APPLAUSE)

And finally, being there for you means standing side by side with you in the fight for your most fundamental rights. As Harold said in his introduction, I believe that it is absolutely essential to the way America works that people be given the right to organize and bargain collectively.

(APPLAUSE)

Nearly 90 years ago, when 36 delegates gathered for the first IAFF convention, 84-hour work weeks were the norm, and terrible conditions were a fact of life.

You know why that's no longer the case? Because of you. You organized. You unionized. You stood up for your rights. You said, "We're not going to be invisible. We're doing our part. You have to give us safe working conditions, fair treatment, and the right to bargain."

(APPLAUSE)

But some people still don't get it. You know, they say that collective bargaining will undermine our national security. They think you haven't earned the right to organize.

Well, you know what I say to them? I say, "Would you change places, would you go into that fire, would you stand on those collapsing floors and under those crumbling ceilings?"

Well, the way I see it, when you plunge head first into burning buildings for a living, you have more than earned the right to organize for better conditions on the job.

(APPLAUSE)

So make no mistake about it, the days of George Bush thinking the union bug is something he needs to squash are over.

(LAUGHTER)

We are here to stand up for the rights of people who pull children out of raging waters and rescue people from flaming rooftops. We are here to stand up for the people who stand up for us.

Now, we have a lot of work ahead of us, and we can get some small victories along the way until we finally get the majorities we need to completely have an agenda that we support in the Senate. They can still stop a lot of what we believe in, unfortunately, but we just have to keep electing more people who see the world the way we do. And we certainly will make a lot more progress when we take back the White House.

You know, back after the days of September 11th, so many of you came to me and said that the families of firefighters who'd been killed were confronting piles of paperwork just to get the benefits they were owed.

CLINTON: They were told it would take weeks or months, and the families didn't have that kind of time.

So again, working with Harold and his team, we put together a bill. And my friend Jerry Nadler sponsored it in the House. And, within a week, that bill passed into law.

Now when the bill passed, we didn't declare victory or do some kind of big celebration. Because the truth is that in the end, there was nothing we could do to give back to those families the people they had love and lost. All we could do is to come together as a team and help as best we could.

And, in the end, we just followed the basic rule you live by: You never leave a brother or a sister behind.

Well, that's how I've tried to serve in the Senate. That's how I've tried to set my priorities. And I want you to know that if I do have the honor and the opportunity to be your president, that's what I will continue to do. Now, people who know me will tell you I don't back down from a fight, and others use more colorful language sometimes about me.

(LAUGHTER)

But that's just fine with me. I don't care what they say. I just care about what we do. That is what is important to me. And because I'm proud to fight for you because you fight for us, I'm going to stay on your side.

I'm not, in any way, concerned about the fight that we have ahead, because I know we can win this fight. I know that if we stand together, we get our message out to America. If we steel ourselves to all of the criticism and the counter-attacks and the stereotypes and everything that they'll put out, then we'll be victorious.

I have a little experience in staying the course...

(LAUGHTER)

... and in sticking with people who stick with me.

(APPLAUSE)

So, you know, St. Augustine said a long time ago that hope is really the combination of two things: the combination of anger at the way things are, and courage to change things are.

Well, living by hope, and understanding we can't be satisfied with what we see before us on homeland security or collective bargaining, but having the courage to step out and try to make a different future, is one of the reasons why I admire over the course of your work on behalf of fire fighters.

And I am thrilled and honored to stand with you, and together we will make it clear that those of us who believe that courage and anger about what is leads to hope, means that we will change America for the better.

Thank you, all, so much. And God bless you for everything you do. Thank you. Take care.

END

"Special Report," ABC, 3/262007

(Off-camera) Senator **Hillary Rodham Clinton** was the first to respond. And this morning on 'Good Morning America,' Robin Roberts joined the Senator onstage in Des Moines, Iowa. Senator Clinton answered many questions during the course of the show. And some parts of that session did not air on GMA, so here's an exclusive look at those answers.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) And we now, I wanna welcome ABC's - primary anchor, Lisa Carponelli, who has some questions for the Senator before we open it up to the, for the people here.

LISA CARPONELLI (ABC NEWS)

(Off-camera) Robin, thank you very much. Senator, it is big news here in Iowa, we found out on Friday, there were rumblings that Governor Tom Vilsack is expected to endorse you later on today. We spoke with Robin about this earlier, what does that endorsement do for your campaign here in Iowa?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, I'm proud to have Tom's endorsement, as well as Christie, because, you know, I think the people in Iowa know what they've done for the state, what their values are, what they care about. And to have them endorse my campaign, I think says a lot about what I would do as president.

LISA CARPONELLI (ABC NEWS)

(Off-camera) What will the Vilsacks do for you? Will they campaign on your behalf, will they attempt to, to raise funds for you here in the state?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, Governor Vilsack's going to be one of my - national co-chairs, so he will be, not only campaigning for me here in Iowa, but around the country, and Christie's going to be one of my state co-chairs. So she will work with a number of people who have already committed to my campaign. And we're gonna be traveling across the state, between now and the caucuses, and we're going to be asking Governor Vilsack to travel around the country, talking about the issues that are important not only in Iowa, but to Americans.

LISA CARPONELLI (ABC NEWS)

(Off-camera) Does Governor Vilsack have a position in your Cabinet should you be elected?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Governor Vilsack is one of the most talented, experienced, accomplished public servants we have in America, and I certainly hope that he will be part of my team when I'm president.

LISA CARPONELLI (ABC NEWS)

(Off-camera) Great, Senator, thank you. Another question that we have is, especially here in Iowa, we have there are estimates between 44,000 and 55,000 uninsured children in the state. I know you recently introduced legislation that would insure all children throughout the United States. How is that going to benefit folks here in Iowa?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, it will on several counts. First, I have to give Governor Vilsack a lot of credit, because the HAWK-I, I Program, which is what the children's health insurance program here in Iowa is called, has done a tremendous job of reaching out and insuring children from working families who are without insurance because their families don't have it through their employer, but they make too much money to get the public program known as Medicaid. So, Iowa's already done a good job, but as you say, there are gaps, and children are being left out.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

So, I've proposed a legislation, and again, you can go to my website, HillaryClinton.com, to get the details that would make it possible for every child in Iowa to be insured, and for families to be able to buy in to the insurance program that the state runs if they don't have insurance at a small fee, so that, you know, no child, no family would be left with that terrible feeling in the pit of your stomach that your child can't get the health care that you know that your child need. So, it would really give Iowa a few more resources and tools to be able to cover every single child.

LISA CARPONELLI (ABC NEWS)

(Off-camera) You've commented in the past that you've learned from your experience in the early '90s and that you wanna take smaller steps. Is this obviously one of those smaller steps towards universal health coverage for all Americans?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, it's a really big step, because I think it's time that every child in America have health insurance, and it helps to lay the groundwork toward getting to universal health care. But we've got another 20 months of President Bush and I don't think he's inclined to take any big, big steps so as the Congress, we're trying to take some steps that will solve some problems before, you know, we have a Democratic president. And it's exciting, because the President's budget was going to cut the children's health insurance program, which would have meant 500,000 children would have lost their insurance. I think that's wrong, so we're gonna try to add to it, not cut from it.

LISA CARPONELLI (ABC NEWS)

(Off-camera) And how do we pay for that?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, we will pay for by looking at some of the expenditures in the healthcare system. For example, there are overpayments to HMOs under Medicare that many of us that think could be diverted to take care of children's health. There are other expenditures that we need to control in the health care system. And then there are still a lot of corporate loopholes and tax giveaways within the federal budget that have only gotten bigger in the last six years that we need to start eliminating in order to put money into things like children's health care.

LISA CARPONELLI (ABC NEWS)

(Off-camera) There was a, a quick question I, I had from a gal at the gym that I saw...

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Good for you. You should go to the gym.

LISA CARPONELLI (ABC NEWS)

(Off-camera) ...well, here - here's the, here's the question about that. There, there, we often hear about complaints when you talk about universal health care or socialized medicine, which is another phrase that you use, that there's a long delay when it comes to getting treatments, especially in the UK or in Canada, you have to wait, wait, wait for that kind of treatment. My first question is, how would we prevent any sort of abuses of a universal system, and then secondly, would there be any sort of benefit for people that do actively choose a healthy lifestyle?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, as in the latter, yes, I think there should be. I think that, you know, when you go for life insurance, you pay a higher rate if you're a smoker. We need to start changing people's behaviors in a way that incentivizes good eating, exercises the things we know will actually make you healthier, save you money, and save the health care system money. You know, we have a representative here from the American Diabetes Association, we have an epidemic of Diabetes, and we have younger and younger people being diagnosed with diabetes.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

We need to get back to get back to physical education in our schools. When I was growing up in Illinois, we had mandatory physical education, I wasn't always happy about it, but we did it and I'm the better for it. Well, we stopped doing that. We have a lot of parents who are afraid to let their children - play outside today, because they're worried about what happens. So, you know, a child's in front of the video game or the Internet, or the television. So, we've got to begin to do more to provide healthy food in school, Senator Harkin has been a leader on this.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

He has made it very clear that we should use locally produced food in our schools and I am trying to support him on expending that. So, there's so much we can do to incentivize wellness and good health. And when it comes to what kind of universal health care system we want, our system will not be the same as other countries. But I think the facts need to be cleared up. You know, we pay more than everybody in the world. We don't cover everybody. So there are some people who not only wait in line, they don't get health care 'til the very last minute in our own country.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

And we have a problem when it comes to making it obvious that we could save money by doing a better job in health care. You will be better taken care of if you have a chronic condition like diabetes in many other countries. And that's shameful. We should be doing the best when it comes to health care. So we don't wanna have the problems that other countries encounter. But I would like to have some of the benefits because they have higher quality outcomes on average than we do. So let's take what we do well, and let's learn from other places, and let's have a uniquely American solution for health care.

LISA CARPONELLI (ABC NEWS)

(Off-camera) And, Senator, speaking specifically to Iowans here, I'm curious, as you travel around the country, how do you find Iowans as voters, relative to say folks from New Hampshire or from California?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Very engaged, very interested in the issues. The first time I came in this campaign and we had a, a big town hall meeting, it was exciting because people came ready to ask about what was on their minds. And I'm, I'm just so pleased and, and, frankly, a, a little surprised that this has taken off so fast. I don't think anybody predicted it. My husband didn't start running for president until October of 1991...

LISA CARPONELLI (ABC NEWS)

(Off-camera) That's right.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) That's right.

SENATOR HILLARY **CLINTON** (DEMOCRAT

...and here it is March. But I think that's in part because people are anxious to start doing things. You know, there's a feeling that the country has been going in the wrong direction for six years. Let's get back doing what Americans do best. We're the best in the world at solving problems, at rolling up our sleeves, at getting things done. And I think people in Iowa know that. That's the record here. As I've said, when it came to children's health care, Iowa led the pack. Your schools have historically performed better than average when it came to looking at how students perform around the country. So let's take some good, old-fashioned common sense and start applying it to these problems we have and set some goals for our self again.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) All right. Lisa, thank you very much.

LISA CARPONELLI (ABC NEWS)

(Off-camera) Yes. Thank you, Robin.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) And you wanna hear from Iowans, don't you?

LISA CARPONELLI (ABC NEWS)

(Off-camera) Of course.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I do.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Let's, their questions that we have. Karol Joenks, she has been a, a VA nurse for 33 years, is that right?

KAROL JOENKS (PRESIDENT

Yes, I was. I retired five years ago.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Good for you. Good for you. What is your question?

KAROL JOENKS (PRESIDENT

My question has to do with nurses of Iowa. I currently serve the Iowa Nurses Association as their president. And I worked in 10 years to rank near the bottom of all the states in Medicare reimbursement. The problem is when the rates were set, states were paid based on cost. And Iowa was most efficient. They were very efficient in how we covered and served our Iowans. But nurses are the lowest paid in the nation. Now, we have two territories that

are lower paid, Guam and Puerto Rico. However, realizing all of these, it's a difficult subject because those states that have higher representation don't care to change anything.

KAROL JOENKS (PRESIDENT

But I was wondering about your thoughts on how we could possibly more, be more equitable in the reimbursement rates for Medicare, not only for all lowans, I'm particularly interested in lowans and lowan nurses...

SENATOR HILLARY **CLINTON** (DEMOCRAT

Right.

KAROL JOENKS (PRESIDENT

...but across the nation.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Well, it's a great question and I have heard a lot about it here in Iowa, from many people. You have some of your elected representatives and states senators here, and they certainly have raised it with me. I have the same problem in, in my own state. We have sections in New York that get a much lower reimbursement. So, you know, I go to see a hospital in one county and they say, 'Why are we reimbursed at a lower rate than the hospital in the county next door?' The system makes no sense. And it rewards high costs instead of trying to get to good care at the most efficient costs.

SENATOR HILLARY **CLINTON** (DEMOCRAT

So we have to take a look at this because I think that it's not right that some parts of our country are having a much higher reimbursement rate and are utilizing the (inaudible), but they don't get a better outcome. So we need to start looking at how we - try to provide a uniform base to treat people here in Iowa and across America. But specifically, as to nurses, you know, back when I began my Senate term, I authored legislation for the Nurse Reinvestment Equality Act because nurses are at the heart of how patients are taken care of. And nursing care has a greater connection to patient outcome than any other part of the system. And we are losing our, we, we are losing our nurses to retirement.

SENATOR HILLARY **CLINTON** (DEMOCRAT

We are losing our nurses because they tell me they're not going to be put in working conditions where they don't feel they can provide good patient care. So they're - they're leaving hospitals for other settings if they stay in nursing. We need to get more young people to go to nursing training and school. That means we more, we need more nursing schools. We have a waiting list for people who wanna go into nursing, but we don't have enough faculties and schools to train the people who wanna do it. We need to pay and treat nurses with respect.

SENATOR HILLARY **CLINTON** (DEMOCRAT

You know, nurses deserve the kind of recognition and status that they're high performance demands. And finally, as we move to our universal health care, nurses can be delegated a

lot of tasks that they could do that would be given a reimbursement for nurses, that right now nurses in many states are prevented from doing. So, as you could tell, I'm a big fan of nurses and I want nurses to play a more leading role in delivering health care in America.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) You got a big smile on us, Karol, for that. We have a question from a small business owner because it - as you know, Senator, so difficult for businesses when it comes to health care. And Sheldon Ohringer, what is your question, sir?

SHELDON OHRINGER (BUSINESSMAN)

Good morning, Senator Clinton.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Good morning.

SHELDON OHRINGER (BUSINESSMAN)

My business partner, partner and I operate three outsource service centers in rural Iowa. We compete with India, Philippines, and other - offshore locations every day. We are growing business. We subsidize health insurance for our employees. Insurance rates have increased 10% to 15% since we began in 2003. We need to keep our cost down to remain competitive, to keep quality jobs here. How do you propose control in health care cost for small business owners so that we can continue to be competitive in the global economy and create quality jobs in real America where people wanna live?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

It's a great question. And, and congratulations on your success in this competitive global economy. I think that your small business should be able to bond together with small businesses across Iowa and across the country. And you should be able to buy into the federal employees' health benefit plan. You should be able to get the low prices that the federal government negotiates for federal employees including members of Congress. You get strength with buying power. The more you have in a pool of people, that's why the cost for Medicare is so low. You have so many millions of people in Medicare, and they have a very low cost in delivering it.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Of course they don't have profit and the administration that you have in the private insurance market, but we can, even if you keep private insurance get the cost down, we need to end insurance discrimination. One of the reasons why cost go up so much is because insurance companies working with your small business really hold it against you if you have anybody who you employ who needs health care. You know, if a child is born with a problem, or someone develops a heart condition, everybody is penalized in your employment. Well, we need to tell the insurance companies that they've got to guarantee health coverage for everybody at an affordable cost.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

And if they don't wanna play by those rules then they should just not be in the health insurance market anymore, because what they're doing now is raising your rates making it more difficult for you to provide insurance, and it's becoming so expensive that a lot of businesses are dropping coverage. So one of the approaches is to say, 'Look, let's try to put you in a big pool.' Let's have more restrictions on what insurance companies can do to you so that they have to be more competitive cost wise. The alternative is to take this burden off the businesses' back. You know, you're the only kind of business in the world competing with your competitors who has to provide health insurance.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

And a lot of businesses are now saying to me, 'You know what? We don't want this responsibility. We'd rather be focused on our business, not focused on health care.' So that's another one of the options for you, to get out of having to provide health care. But to make sure that everybody who works for you does have health care. So these are a couple of the approaches we should consider.

LISA CARPONELLI (ABC NEWS)

(Off-camera) Senator, follow up. How long would a program like this take to implement?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well, it depends upon how much political support we have for it, because let's remember that we know we need to change how we do this. We can't afford this system any longer. But unfortunately, there are a lot of vested interests that make a lot of money off the system as it is. You know, the insurance employment has gone up even though the number of people insured in America has gone down because we have more uninsured people. Well, we've got to persuade everyone politically to say, 'Look, we can do better than what we're doing.' I think we could start on the road the first year I'm president. We could begin to make the changes that would put us on the track to having universal health care coverage.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Senator, thank you very much. Lisa, and never enough time. And you've been very gracious, and still staying and, and answering the questions from people that are assembled here today. Thank you.

ROB SIMMELKJAER (ABC NEWS)

(Off-camera) (Inaudible). We'll have more of 'Good Morning America's' town hall meeting in just a while so stay with us. We'll - have more when we return from the short break. That's where Senator Clinton will take a shot at some answers on our video - e-mail section. So don't go away.

COMMERCIAL BREAK

ROB SIMMELKJAER (ABC NEWS)

(Off-camera) And welcome back to ABC News Now. Senator Hillary Clinton joined 'Good Morning America's' Robin Roberts at a town hall meeting in Des Moines, Iowa this morning.

After answering some of Robin's questions, the Democratic presidential candidate responded to questions directly from our viewers.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Senator, we're gonna get to some of the e-mail questions that we have. Starting with Tiffany in LA, who says, 'One of the most common arguments against nationalized health care is that the quality of care and research will be negatively impacted if health care is nationalized. What would be done to ensure and or improve the quality of care?

SENATOR HILLARY **CLINTON** (DEMOCRAT

Well, I wanna make clear that there is a difference between having a health care system that provides quality, affordable health care to every American and having a national health care system where there's only one source of care and the government runs it. That is what's called the single payer system. And the single payer system can be done in a variety of ways. Medicare is a single payer system. And most people on Medicare are satisfied. They wish that, you know, there are few more things covered or maybe they would like to have a little more access to a particular specialist. But in general, survey after survey says the people on Medicare are satisfied with Medicare.

SENATOR HILLARY **CLINTON** (DEMOCRAT

So when we talk, let's, let's be really clear, because there's a lot of misinformation. And frankly a lot of scare tactics about what universal health care would mean. And I'm an expert on this, and I have the scars to show from what we went through in '93 and '94. And so, that's why I started by saying we have to reduce costs and improve quality no matter what we do. If we kept the system we have, it's very hard to do that because there are no incentives to change what people are paid to do. I'll give you a quick example. If you're pre-diabetic or diabetic, it's hard to find insurance that will actually pay for you to go to - a nutritionist or pay for you to go to podiatrist to check your feet, but they will pay for you to have your foot amputated.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Now, that's just backwards. It cost more money. It causes a lot more hospitalization. It's wrong. So what I'm arguing is we need to improve quality and reduce costs. And one of the first ways to do that is to get electronic medical records so that we know what we're doing. I talked to one of the people here during the break who's a nurse at the VA here in Iowa, who says that they've seen big improvements and quality, which is what all the research says, because the VA now uses electronic medical records. We need to have that in private health care, every doctor's office, every hospital. That costs some money, but it'll save us about \$100 billion a year.

SENATOR HILLARY **CLINTON** (DEMOCRAT

So I think we can do what needs to be done to reduce cost and redundancy and duplication, as well as improve quality by focusing on wellness and prevention, continuing research. I'd like to see us get back to funding the NIH. Under the Bush administration, we've begun to cut the NIH. So, you know, Tiffany, I understand why you would ask that question because,

you know, there are a lot of people who are gonna have to change, and maybe they won't make quite as much money in the kind of system I foresee. And that, that causes them to get a little anxious and, kind of, raise all these scare tactics.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) We're gonna turn now to young adults because they make up the vast majority, the largest group of uninsured Americans.

SENATOR HILLARY **CLINTON** (DEMOCRAT

That's right.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Young. So we got together a group of young people in California. And one of them has a question for you, Senator.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Great.

RESIDENT OF CALIFORNIA (FEMALE)

(Inaudible) ?

ROBIN ROBERTS (ABC NEWS)

(Off-camera) The students wanna know...

SENATOR HILLARY **CLINTON** (DEMOCRAT

How can students be covered?

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Mm-hmm.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I think a couple of different ways. First of all, a lot of young people are not covered because they were on their parents' plans, then they reach an age limit because a lot of insurance companies won't cover you if you're on your own or you hit 21. I think as long as you're a dependant, and especially if you have any health problems, your family should be able to keep you on their policy. In fact, I've introduced legislation so that young people who have illnesses or injuries are not cut off of their parents' policies and parents can continue to carry them. But many young people when they start to work, they go to work for employers who don't provide them health insurance. And a lot of young people don't think they need it because they're healthy.

SENATOR HILLARY **CLINTON** (DEMOCRAT

The problem is that even though that's true in general, you are not immune from accidents or from illness. And when that happens, a lot of young people are really in a difficult spot. So I think if we had choices of health care plans, again, going back to something like the federal employee health benefit plan, a lot of healthy young 20-somethings would say, you know, 'I'm healthy. I'm gonna get the minimal benefits with a catastrophic policy so that if I'm in a car accident or something like that happens to me.' That makes perfect sense if you're a single person taking care of yourself.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

But it's really important everybody be insured. Otherwise, if something does happen to you, the rest of us pay for it. And you may not get the health care that you need. So I think we can get the cost down for young people. And I would like to do that because I'd like to provide that option to them.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) A lot of people feel like they're rolling a dice every morning about their health care. They can't afford it. And two-thirds, did you all realize this? Two-thirds of Americans who do not have health insurance are working.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

That's right.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Two-thirds, they're working and can't afford the insurance. You are going to continue this conversation online at ABCNEWS.com. You'd agreed to answer some additional question. So thank you very much for that. And thank you all as well. And Hilary Duff, you're off the hook, Hilary Duff will be singing in New York when we come back. Thanks very much.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Thank you.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Yeah. But I think a lot of people were surprised by that. I know I was. There was about two-thirds...

SENATOR HILLARY **CLINTON** (DEMOCRAT)

The people...

ROBIN ROBERTS (ABC NEWS)

(Off-camera) There's a - at the end...

SENATOR HILLARY **CLINTON** (DEMOCRAT)

That's right.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Yeah.

SENATOR HILLARY **CLINTON** (DEMOCRAT

That's right.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Do you think that people who are not, they're just out on the streets? No, no, really.

SENATOR HILLARY **CLINTON** (DEMOCRAT

I know. I know.

FACILITATOR (FEMALE)

Okay, folks...

SENATOR HILLARY **CLINTON** (DEMOCRAT

Now, I'd be happy to take a few questions that people didn't get to ask, if that's okay with you.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Oh, that's great.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Or do you have to break it all down and, and...

ROBIN ROBERTS (ABC NEWS)

(Off-camera) No, no, no, no, because we're still gonna have our (inaudible) goodbyes. We still...

SENATOR HILLARY **CLINTON** (DEMOCRAT

Okay.

FACILITATOR (FEMALE)

(Inaudible) to be answered before. Could we read you some of the lines (inaudible) ?

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Sure, sure.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Sure, sure. Let's try...

COMMERCIAL BREAK

SENATOR HILLARY **CLINTON** (DEMOCRAT

...system is. You know, here's a, you're - you're working?

AUDIENCE MEMBER (FEMALE)

I'm working. I work for non-profit organization.

SENATOR HILLARY **CLINTON** (DEMOCRAT

And you're doing everything you're supposed to do. You're doing such a good job. They wanna give you a raise, right? And yet you'll go up a little bit in income which means your children will be dropped from insurance. And I assume that your employer can't really afford you to give you insurance and you can't afford to go in the market place and buy insurance. So this is the perfect example what Robin was saying. More than two-thirds of people without insurance are in families where one or more adults are working. So I don't think it's right that you should have to make this choice.

SENATOR HILLARY **CLINTON** (DEMOCRAT

In the short run, I hope we'll be able to figure out a way to help you and, and we've got some state elected officials here and maybe one of them could talk to you and see if we can help you continue your coverage. You shouldn't have to turndown your raise to give your children health care. But in the longer run, we shouldn't have this. It's an absurd kind of difference. I mean, you know, you make \$25,000. You're eligible. You make \$25,100. You lose your coverage for your kids. So that's why we need to move toward universal health care coverage because I actually know people who turned down raises, turned down promotions because they'll lose their health care.

SENATOR HILLARY **CLINTON** (DEMOCRAT

So I, I hope we can help you here in Iowa, figure out a way to get both your raise and keep your coverage for your kids and, and I'll work with you and, and Chris who's back there, if you'll raise your hand, Chris who's working with me, if you'll talk afterwards and we'll see if there's anything we can do. But I introduced legislation last week to make it possible for families all the way up the income scale to not lose their insurance for their children, as I first stepped toward trying to get everybody insured. And congratulations on what you're doing, too.

AUDIENCE MEMBER (FEMALE)

(Inaudible) I appreciate it.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Are you Cindy?

CINDY (AUDIENCE MEMBER)

Yeah.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Yes, okay, thank you. Cindy, your question?

CINDY (AUDIENCE MEMBER)

I work in direct care. I'm not a nurse. I'm - I'm a certified CNA but I - I'm representing a lot of direct care workers that are doing the hands on care with people that need care. And my question is what are you gonna do, do to ensure that those who give hands-on care can afford to have, can have affordable health care themselves?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Thank, thank you for asking this. You know, among the largest group of people without insurance are people who work in health care, taking care of the rest of us. I mean stop and think about it in a minute, certified nurse assistant, technicians, others who were there, in nursing homes and in group homes, in hospitals, don't have insurance themselves, and - and that's what's so wrong about our system. You know, that work is absolutely essential to taking care of people. If we didn't have you and others who did the hands on work, who would do it? It's the same with childcare, a lot of people are doing childcare, don't have health insurance, same with long-term care.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

So if we don't take care of our health care workers, we will not be taken care of. And I believe that this is one of the most compelling moral reasons for us to have universal health care. And so I will do everything I can to get to universal health care. And you know, people say, 'Well, but it's expensive.' If we provide you with insurance then the cost of the care goes up. Well, that's true that's why we need to deal with some of the cause in the system and not take it out of the paychecks and healthcare of the people who do the hard work of taking care of us.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

One of the reasons why I think we can get to universal health care is because there's so much waste in the system, so much administrative cause, so much overhead. That's not going to the person who takes care of you, that's going to the people who push the paper, the bureaucrats who decide what a doctor can prescribe. We can cut a lot of that out and we'll have a lot more money that can go directly into care and make sure that people taking care of us as caregivers get health care themselves.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Roger and Cindy Goldwyn ask you a question and, Roger?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Hello. Thank you for coming.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Your, your husband was diagnosed with ALS nine years ago, was it?

CINDY GOLDWYN (HUSBAND IS DIAGNOSED WITH ALS NINE YEARS AGO)

Nine years.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Wow.

ROGER GOLDWYN (ALS PATIENT)

Good morning.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Good morning.

CINDY GOLDWYN (HUSBAND IS DIAGNOSED WITH ALS NINE YEARS AGO)

This is Roger and I'm his wife, Cindy. Roger was diagnosed with ALS or Lou Gehrig's disease nine years ago. He's a very atypical and another progression of his disease. We're very fortunate that he's still alive because that's not the, the typical case. Rogers' question for you Senator - Clinton, 'I'm 52 years old and I have ALS or Lou Gehrig's disease. My symptoms have progressed to where I require systems with virtually every daily activity. I have Medicare as well as full medical coverage from Blue Cross Blue Shield that I pay for privately.'

CINDY GOLDWYN (HUSBAND IS DIAGNOSED WITH ALS NINE YEARS AGO)

'With all that insurance, the majority of my care requirements are still not covered and my wife, Cindy, is left the total responsibility of my care. Of course, she now also has the burden of doing everything that else that she and I used to do together to manage our home as well as work. She teaches at Iowa State University. The burden on Cindy is overwhelming and we are just shocked at the inadequacy of our health care and social system to help us. I want to thank you for your past support of respite legislation and our ALS registry act. How would you address this daily care problem where families are left with inadequate options for caring for in the lead loved ones?' Thank you.

SENATOR HILLARY **CLINTON** (DEMOCRAT

Well, I'm, I'm so moved by your story and particularly how you're disease has progressed in a way it enables you to be here this morning and participate and say good morning and it, it's really wonderful to see that and I'm sure that's largely because you've gotten such excellent care from Cindy. And, you know, we have, most people being taken care of with disabilities in their homes, by their loved ones, by a spouse, by a daughter, by a son, by a parent, and if we were to add up what the cost of that care is every year, it would be over \$300 billion.

SENATOR HILLARY **CLINTON** (DEMOCRAT

So we've got to figure out how to support families like this and support caregivers like Cindy. And she, she talked about a bill that I passed called the Lifespan Respite Act because I knew that a lot of people are doing what Cindy does and they get no time off at all. You know,

they don't have any overtime, they, they don't have any days off, it's a 24/7, 365-day a year labor of love and so under the Lifespan Respite Act, which I wrote and finally got passed, we're gonna be setting up some networks of care so that Cindy can get a few hours off so that, you know, she'll be able to get additional help from the community.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Because if Cindy stopped taking care of her husband, or if there were no Cindy in his life, then we would as the community be taking care of him at a much higher cost than what is being paid right now. So this is not only a wonderful act of love, it's a very big contribution to the rest of us that you're doing this. And I believe that part of national health care, universal health care has to be long-term care. This is gonna be a growing problem because we're living longer and the longer we live and the better our health care, the more we will live with chronic conditions.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

So, we're gonna have to figure out how to help take care of each other and that's got to be a part of any kind of health care plan. And I also think that the fact that you have Medicare is a lifesaver. The fact that you have private insurance is unusual. Not, not many people with, you know, severe disabilities cannot afford private insurance but even private insurance won't provide for all of the equipment, all of the prescriptions, all of the nursing care that you need. So we need a pool of money to help families with a severely ill person and, you know, most of the health care dollar goes to taking care of these very chronically ill people.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

So if we could figure out a better way to help you too, then we could actually cut the costs across the board because if people are in a setting where their needs are taken care of in a more cost effective way, we wouldn't be spending so much money in a disorganized way to take care of you. So, I think we can do a better job and we can be more cost effective, we can give Cindy help and we can help you live longer and enjoy experiences like this for many years to come.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) All right. (inaudible)

SENATOR HILLARY **CLINTON** (DEMOCRAT)

And thank you for being here.

ROBIN ROBERTS (ABC NEWS)

(Off-camera) Ross is it? Ross has a, has a question for you Senator.

ROSS (AUDIENCE MEMBER)

Good morning Senator Clinton. Family planning services for low-income women are nearly non-existing in this country. If you were elected president what would you do to help prevent unintended pregnancy as well as ensure access to available and affordable birth control for all women?

SENATOR HILLARY **CLINTON** (DEMOCRAT)

Well I actually have legislation to do this because I do believe that abortion should be safe, legal and rare, and it cannot be rare if people are not educated to make responsible decisions and if they do not have access to family planning. And there's been a continuing cut back in funds for family planning over the last six years. So I would restore our commitment to help people have access to family planning. I think it's also unfair that insurance companies don't cover birth control pills and devices. They cover certain prescriptions for men but they don't cover prescriptions for women, which seems to me a little bit strange to be honest about it.

SENATOR HILLARY **CLINTON** (DEMOCRAT)

So I, I think we need to end insurance discrimination against and have birth control, family planning included. And I have legislation called Prevention First because I do think we would be better off if we had more responsible decision-making, better education and better access to family planning.

ROB SIMMELKJAER (ABC NEWS)

(Off-camera) That was 'Good Morning America's' 'Town Hall' meeting with presidential candidate Hillary Clinton in Iowa. Thanks for watching ABC News Now.

FORMER GOV. TOM VILSACK DELIVERS REMARKS AT HILLARY CLINTON CAMPAIGN EVENT, 3/26/2007

(APPLAUSE)

CLINTON: Thank you so much.

Well, I am absolutely thrilled and honored to have the endorsements of two people whom I admire so much.

As both Christie and Tom said, we have a personal relationship that goes back to Christie's brother Tom, who was one of my great friends and someone whom I miss on a regular basis. He could make you laugh. He could ask a piercing question. He could put you in your place.

And I also watched with great admiration the campaign and then the administration that Tom and Christie provided to this state.

You know, when Christie called and asked me to do a fund-raiser for her husband, who was running for governor and was way behind, I immediately said yes. I didn't know anything about the governor's race in Iowa other than we hoped a Democrat could win. But I was more than happy to help Tom and Christie.

And then when they came for the event and when I heard Tom speak, when I heard the passion that he brought to issues that I have worked on my entire life -- giving our kids a good start in life, making our schools work for all of our children, providing health care, incentivizing the economy to make sure that it provided good jobs and rising incomes to rural areas as well as urban ones.

I just walked away from that first encounter and hearing Tom Vilsack and I knew he was a winner. I remember going back to the White House and telling my husband, "I think I just heard the next governor of Iowa."

And I have told Tom and I've told a lot of people in the years since, when I came out right before the election, Tom Vilsack gave one of the best political speeches I've heard from anybody in our country.

CLINTON: Some of you might have been there. He held up a Big Chief tablet in one hand and a laptop computer in the other. And he basically said we have to modernize education in Iowa.

Now, I grew up next door in Illinois, and I know that for generations Iowa schools were ranked high; Iowa students performed above the national average. But Tom Vilsack knew that the education system in Iowa, like the rest of our country, needed to be pushed toward the future.

And the work that he has done, with Christie by his side, is really admired throughout our nation.

I want to pay special tribute to Christie when it comes to the work she's done on literacy and on behalf of libraries and early childhood learning.

(APPLAUSE)

She brings, you know, the experience of a certified teacher and the passion of a missionary, because she knows what it takes to help prepare all of our kids and how we can't just walk away from our obligations to each individual, but also our obligations to each other as to whether we're going to have an economy that will include everybody to be competitive and have a good standard of living.

And I really appreciate Tom's leadership when it came to preschool education. You know, a lot of people say, "Well, that's a nice thing to do." But Tom Vilsack did it, and created a program that is reaching more and more kids in Iowa.

And you know, the Federal Reserve Board in Minneapolis just did a study, and they asked themselves this question: What one thing could America do that would make us more competitive globally? And the answer came back: preschool education.

And Tom Vilsack was ahead on that.

He was also ahead in getting a much higher percentage of the children of Iowa enrolled in a State Children's Health Insurance Program, something that I worked on during the White House and was proud to see the Congress pass it, but a lot of states didn't really go at it the

way that Iowa did under Governor Vilsack. And I commend him for the progress he made and the fact that so many children in Iowa have coverage.

There's still a gap. We still have to do more. But thank goodness for everything he did.

And when it comes to the economy and particularly the agricultural economy, Tom Vilsack knew early on that we needed to move toward homegrown fuel, American-owned fuel.

And he has made that a cause that he's taken across our country.

So there is much that I admire in the record that Tom Vilsack and Christie Vilsack have compiled here in Iowa, and I am extremely grateful to have their endorsements.

But this presidential campaign that Tom ran has also made a strong impression.

CLINTON: You know, he stood up for veterans' health. He stood up for it even before we found out what was going on at Walter Reed. He knew that we had to do better by those who had served us. And I will carry that cause on in this campaign with Tom by my side.

He stood up for ending the war in Iraq the right way, for telling the president: You're on the wrong course. And he spoke about that across this country.

And I'm not sure, Tom, we're going to be able to change the president's mind. We're sure trying.

(LAUGHTER)

T. VILSACK: Good luck.

CLINTON: Yes, good luck is right.

But I can tell you this. If the president still has us mired in Iraq when he leaves office, which I believe would be one of the most irresponsible positions any American president has ever taken -- this has been his war, he started it, he waged it preemptively, he mismanaged it, it is his responsibility to extricate us from Iraq.

But if he doesn't, Tom Vilsack and I will campaign together around this country and make it clear that when I'm president we will end the war in Iraq and begin to bring our troops home.

(APPLAUSE)

Now, every day that goes by I learn more about Iowa and about the caucuses. And one of the things that I've learned is that this is a really personal undertaking.

You know, I want to do this the Iowa way. That means I want to be in living rooms and church basements and union halls and businesses and everywhere people gather to talk about my campaign and what my goals are for America.

Because I think it's time we start goals again as Americans. You know, standing in front of this school brings back a flood of memories to me. And I remember, when I was that age, feeling that I didn't just have my family on my side, I had my country on my side. I had the belief that my country was rooting for me.

I've told this story a million times, but after Sputnik went up, when the Russians sent that spy satellite up, my fifth-grade teacher came in and said, "Children, the president wants you to learn math and science."

And I believed that President Eisenhower had called Mrs. Krause (ph) and told her to come tell us that.

(LAUGHTER)

And, you know, when we used to get rounded up and taken into the gym to do our physical fitness tests, and then we got a certificate from the president, I thought President Kennedy signed those personally.

(AUDIO GAP)

CLINTON: We're tired of the fatalism, the pessimism that has infected Washington.

CLINTON: We're ready to roll up our sleeves and get to work, and you can see the results of the work that Tom and Christie Vilsack have done in Iowa, and we're going to make sure that America knows that what happens here can happen anywhere.

Thank you all very, very much for being here.

(APPLAUSE)

And I know a lot of friends of Tom and Christie's have come out, and I'd love to say hello to them and I don't know whether -- if we have time for questions, and maybe we can answer some questions from the press before we say hello to everybody who is gathered here.

Anybody have questions for any of us?

QUESTION: (OFF-MIKE)

(LAUGHTER)

VILSACK: I've had profound respect for Senator Clinton for so many years.

You know, it's about agreeing on the critical issues.

Senator Clinton understands that President Bush has mismanaged the war and wants to end it. Senator Clinton understands the necessity of improving education in this country so that our youngsters are equipped for the challenges of the 21st century. She has been committed throughout her public service to universal health care for all Americans that's affordable and quality.

And I have been very impressed with her work in energy, and particularly impressed with her work in rural areas in Upstate New York that leads me to believe that this is a message that we can carry across the country in every corner of the country, in every corner of this state, to convince people that it is time for Senator Clinton to assume the responsibility of being the next president.

It was an easy transition; it wasn't even a question. This is the person to be the next president of the United States. She is tried, she is tested, and she is ready.

(APPLAUSE)

QUESTION: What are your feelings about agreeing on key positions? Will you abandon those differences that you have on Iraq that you've expressed?

VILSACK: You know, the reality is that we need to look forward in terms of Iraq. I think Senator Clinton and I both agree that the president has made serious mistakes and has the responsibility to correct those mistakes.

VILSACK: If he refuses to do so and fails to do so, which appears to be his course, then it will be up to the next president of the United States to correct that situation.

Senator Clinton has assured all of us that it is her intent to end this war, if it's not ended before she becomes president. I know that she will do that. I know that she has the capacity and the capability and the talent to do that.

And I also know that, while she's doing that, she can repair America's damaged reputation and image around the world. It's going to be necessary for the next president to do a lot of hand-holding and a lot of conversation and discussion to repair those relationships that have been frayed.

It is important to our security, our national security, that America resume its rightful place as a world leader.

This administration has walked away from its responsibilities. That's one thing that Hillary Clinton will never do.

And finally, these youngsters here deserve an American government that makes good on the American bargain, so that, as they grow up, they're going to be prepared to accept the challenges of the 21st century, to be able to effectively compete in a very, very tough economy, and to be able to have the peace of mind, to have their parents have the peace of mind that they and their parents have access to quality health care.

And finally, if we're going to be secure as a nation, both economically and from a national security standpoint, we have got to be energy secure. And I don't think anybody in this race understands that any better than Senator Clinton.

CLINTON: We have a young woman right here with a question.

QUESTION: Senator Clinton, do you believe in the power of prayer?

CLINTON: Yes, I do.

You know, she asked me if I believe in the power of prayer, and I have said many times that I, fortunately, was raised by parents who believe in the power of prayer. So I was taught to pray and encouraged to pray every day.

If I had not been a praying person when I got to the White House, after having been there a short period of time, I would have become one, I can guarantee you.

(LAUGHTER)

Thank you all very, very much.

(APPLAUSE)

END

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT THE COMMUNICATIONS WORKERS OF AMERICA LEGISLATIVE POLITICAL CONFERENCE, 3/27/2007

CLINTON: Thank you. Thank you so much.

(APPLAUSE)

Woah. Thank you.

(APPLAUSE)

My goodness. Thanks so much. And it is great to be here with all of you. I thank Barbara for that introduction. She is a friend of mine. She's been a friend of mine for a long time. And she's a great leader, not only for CWA, but for women in the labor movement across America.

(APPLAUSE)

I also want to thank Jeff. Thanks for ceding your place to Barbara, Jeff.

(LAUGHTER)

And I did whisper to Barbara -- Barbara was the best-looking member of the executive board.

(APPLAUSE)

But, Jeff, I know that you've done a lot to keep people in good spirits here this morning. And I appreciate that because, you know, we're on the march. Let's be in a good humor. We're taking back our country.

(APPLAUSE)

We're going to get back to supporting the right values in America.

(APPLAUSE)

And, of course, I'm delighted to be here with your president. Larry Cohen is a fabulous advocate not only for your union, but he understands that we've got to make linkages between what labor needs and wants and whether we're going to have a middle class in America with rising incomes and a good standard of living.

And Larry also understands that we've got to start reaching out to workers around the world. You know, we have to have a global labor movement. We need a...

(APPLAUSE)

... a new commitment to making it clear that we have nothing against people around the world raising their standard of living; we just don't want them doing it at our expense.

CLINTON: We want to help people have a better life for the future, just like we had to have it right here at home.

(APPLAUSE)

Also, I was escorted in by some of the New Yorkers. And I want to thank Chris Shelton, the president of the regional CWA in the northeast; and of course Bob Master, political director from the northeast region; and all the local presidents and leaders from New York.

I've been on picket lines with you. I've tried to advocate for you. And I'm thrilled to be here with all of you today.

(APPLAUSE)

One final person I want to thank, because our offices work really closely together on a daily basis, and that's Lou Gerber, your legislative director, because Lou makes it clear...

(APPLAUSE)

... Lou, Lou, Lou!

(LAUGHTER)

(APPLAUSE)

Lou makes it clear what's at stake in these struggles that we're engaged in.

I just came from the Senate hearing that was chaired by a great champion of American middle class and working families, Senator Ted Kennedy. We just had the hearing on the Employee Free Choice Act.

(APPLAUSE)

And, you know, the facts are indisputable. There's no debate here. It's just whether we can get the votes in the Senate to get it passed.

And that's going to be up to all of you. Those of you from states with Republican senators, let them know this is a voting issue; this goes to the real heart of whether we're going to be

a country that stands on a principle that every person should have the right to join a union, to be part of a bargaining unit that will stand up for your income...

(APPLAUSE)

... stand up for your working conditions, stand up for your health care benefits and your pensions.

(APPLAUSE)

You know, in a very real way, all of you have made it possible for us to be connected in the world.

CLINTON: You know, I'm really well aware of that. You know, a student in Washington today can instant message with a student all the way around the world in Tokyo. You know, someone can send a real-time e-mail on a cell phone or, you know, be able to communicate, and that's because you've done this work for decades now. You know, you were the ones who put into action all the great ideas.

The ideas would have stayed on a shelf somewhere if people weren't there to actually implement them.

And I remember very, very well -- in the days after 9/11, when we were struggling to make sense of this horrific attack on us, you know, it was so overwhelming. And those of you from New York remember, you know, the confusion and the anxiety that we lived with.

CWA workers started reconnecting lower Manhattan. CWA workers...

(APPLAUSE)

CWA workers came down to Ground Zero; said, "How can we help?" You know, the switching station had been destroyed, phones were out, land lines were gone and cell phones didn't work. The stock exchange was down.

And it was CWA workers who came down and started to get us back in touch with the rest of the country and the world.

I can remember it like it was yesterday, seeing our workers from New York hauling cable, working on wires, digging into the ground, doing what had to be done to get our city going again.

And isn't it somewhat ironic that, when we all agreed that we needed to get the stock exchange up and going to send a message to those who had attacked us -- you know: "Forget about it; you're not stopping us at all; we're going forward" -- that it was union workers who made that happen?

(APPLAUSE)

CLINTON: And yet it seems to me that a lot of our corporate leadership today just doesn't understand that. You know, corporate profits are up, CEO pay is up, but average wages of Americans are flat.

You know, we see this and we're asking ourselves, "What does this mean" -- what's called this middle-class squeeze?

Well, I'll tell you what it means. It means that the balance of power that's worked so well through the 20th century in America, where we had fair labor laws that were enforced fairly -- and it was only after a struggle that we even got those laws -- are being disregarded wholesale, because there is a mood in unfortunately too many corporate board rooms that we don't have to take care of the people who take care of us. No, we don't have to do our duty to America, because that's what this is at bottom about.

And we're going to continue to be the greatest country in the world?

I think we are. But we're only going to get there with a fight to re-establish the basic principles and values about what made America great -- because you can find rich people anywhere in the world, and unfortunately you can find poor people anywhere in the world.

What is unique about America is all of you; all of us. I come from a middle-class family in the middle of the country. And I know very well that the rising standard of living that we saw during much of the 20th century was due to the American labor movement.

I know that it was the American labor movement that first bargained for health care that then spread that concept throughout America. It was the American labor movement that first bargained for pensions, and then all of a sudden people took advantage of that.

Now we're down to 7 percent unionized workforce in the private sector. And is it any surprise that wages are flat; that people are harassed if they try to sign a card to start a union?

We're going to get back to the right balance here in America. We started with...

(APPLAUSE)

We started with electing a Democratic Congress, thanks to you and many of you who worked across our country to reverse the 12 years of Republican majorities.

(APPLAUSE)

And now we've got to work to elect a Democratic president so that in January 2009, we can begin to put our country on the right track to the future.

(APPLAUSE)

You know, for six long years, America's middle class and working families have been invisible to this president. He's looked right through you.

If you're a worker who can't organize for better wages and a safer workplace, you're invisible. If you're a family that can't get by on the minimum wage that hasn't been raised for 10 years, you're invisible. If you're a working person who doesn't have health care and you're one of the 47 million without insurance in the richest and greatest country in the world, you're invisible.

If you're a senior who's paid for long-term care, but then when you really need it and you produce your insurance policy, the insurance policy says, "Oh, just kidding"; you're invisible.

CLINTON: If you're one of those parents who's been saving money to be able to send your child to college and then all of a sudden you realize how much it's going to cost and you turn to get some help from your government and you realize that the aid hasn't been increased and there's no real recognition of how much more expensive it is today than it used to be, you're invisible too.

Well, you're not invisible to us. You're not invisible to this union, and you're sure not invisible to me.

And when I'm president, you'll have a president...

(APPLAUSE)

... who makes clear you're not invisible to her either.

(APPLAUSE)

You know, I'm running for president because I want to renew the basic bargain of America. You know the bargain. We were all raised with it: You work hard, you play by the rules, you get a better shot at life -- and your kids sure do. And you've got a government that's on your side; a government that sets goals for America and then encourages all of us to be part of reaching them.

That's how I was raised. You know, I'm old enough to remember that, you know, back in the late 1950s, the Russians sent a satellite up into the sky; they called it Sputnik. Anybody old enough to remember that?

(LAUGHTER)

(APPLAUSE)

Well, that was a big deal, you know, because we never expected any country to get to space before us. We were Americans; we'd just won a world war. You know, we were, under President Truman's leadership, starting to rebuild our enemies -- an amazing idea, but one that was very smart, because it helped to create democracy and, you know, keep our prosperity going.

So this satellite goes up in the air and, God, because my father was worried about it, everybody's worried about it -- I can remember like it was yesterday. My fifth grade teacher walked into my classroom and she said, "Children, the president wants you to learn math and science."

Now, I was convinced that President Eisenhower had personally called Mrs. Kraus (ph) and told her...

(LAUGHTER)

... to tell us that. And I wasn't too happy about it, because math and science were not exactly my best subjects. But I believed that that was possible, because I felt like my president would sit in the Oval Office thinking about me and every other kid in America.

That's what we believed then.

And, you know, when we were all rounded up and taken in the gym and we had to jump and run and do all kinds of physical activities, it was because the president had said we had to be physically active and fit.

And when I got that certificate signed by President Kennedy, I thought he was sitting there in the White House and said, "OK, Hillary's the next one; just sign it."

(LAUGHTER)

I mean, that's what we believed. We didn't think it was beyond the realm of possibility that we would have a president who actually worried about whether we were doing our homework and being physically fit.

And when President Johnson looked into that camera and said we were going to overcome and have voting rights, we knew it was going to happen that we were going to start breaking down those barriers so that every American could participate.

CLINTON: We used to set goals as a country. We believed in ourselves, you know. And when President Kennedy said we were going to send a man to the moon and bring him back in a decade, I didn't know how that was going to happen, but I never doubted it would.

What are the goals we're setting for our country now? Those of us who in New York personally lived through 9/11 and our whole country that rallied to our aid and was there for us when we needed you, we were waiting for the president to seize the moment, you know, to say, "Let's take this time and, you know, let's become energy independent so we're not sending money to people who fund those who then turn around and attack us."

(APPLAUSE)

Or maybe he would have said, "You know, I've learned a lot from what happened on 9/11. When those towers went down, all the medical insurance forms were lost. We didn't know who had insurance and who didn't. So we had to rush in with emergency Medicaid to sign people up."

And then we started hearing about the World Trade Center cough, and all these people were getting sick. And we had people, you know, we had guys who could run a marathon before 9/11 who can't walk up stairs now, they can't breathe. Some of them are dying. And, you know, maybe the president would have said, "Now's the time to move toward universal health care coverage." But we didn't hear that either.

(APPLAUSE)

So one of the reasons I'm running for president is set some goals again. I want to have universal health care coverage, quality, affordable health care for every single American.

(APPLAUSE)

I want to have an energy policy that makes us independent from those foreign regimes as soon as we can. It'll take a while, but if we get started now we can do it. I want to start having home-grown energy so that we're looking to employ people right here in America to build the new plants and run those new plants and distribute that new energy.

(APPLAUSE)

CLINTON: I want to begin to figure out how we're going to make college affordable for everybody again. I don't think it should be the province of the wealthy. It never was before.

Let's get back to providing the aid, the scholarships, the low- interest loans that people need to send their kids to college.

(APPLAUSE)

And I want to get back to a level playing field for the right to organize. I think it's a novel idea, but I would appoint people to the Department of Labor and the NLRB who actually were pro-labor for a change.

(APPLAUSE)

And I know what's going on right now. I saw those handouts that those of you who work at Verizon Business have been given. I saw the intimidation and the threats. I saw the false statements that they contain.

And as Barbara said, Senator Schumer and I sent a letter to the CEO of Verizon telling him that he should recognize your right to organize through Card-Check.

(APPLAUSE)

And I want you to know that I will stand with you every step of the way until you get that right. It should be the right of every single employee of every company in America.

(APPLAUSE)

We have a lot of work to do, and I'm going to look to you to be my partner. You know, we need a comprehensive national broadband policy. And I think we can use your "Speed Matters" as a road map.

You know, we need to get...

(APPLAUSE)

We need to get back on the global list of being number one.

You know, back in 2000, we were number one in the world in broadband. Now we're down to 12th or 14th or 15th, whatever the survey you look to; 16th. We're dropping by the minute; 20th.

(LAUGHTER)

AUDIENCE MEMBER: Twenty-one.

CLINTON: Twenty-one. Jeff's read an auction up here.

(CROSSTALK)

CLINTON: You know, but basically, I just want us to be Americans again. I want us to roll up our sleeves and get back into the solution business; you know, solving the problems we face, not avoiding them, not denying them.

CLINTON: I want us to get back where people are respecting each other. We may have differences. We're going to have differences. We're Americans, you know, (inaudible) 300 million people, we probably have 300 million opinions about nearly every subject. I certainly know, representing New York, I have 19 million opinions about every subject.

(LAUGHTER)

But let's look for some win-win strategies. You know, when it comes to trade policy, we can't keep doing what we've been doing. You know, on balance trade was good for America in the 20th century, but today the situation has changed. You know, we shouldn't have any trade agreements if they don't have enforceable labor and environmental standards, and we need to figure out how to do that.

(APPLAUSE)

We need to take every one of the problems we've got. You know, climate change, some people are worried about climate change. Great Britain, they went into Kyoto when President Bush pulled us out, and they've now created over 100,000 new jobs. People are doing pollution control. People who are weathering houses. People who are making new technology that can be used.

You know, we're not gaining ground the way we need to by ignoring our problems. If we're going to remain the leader of the world, we got to start acting like it again.

And as president, I'll tell you, one thing I will do as soon as I'm elected is to send a message as loudly as I can to the rest of the world: I will always protect and defend America's interests, but I know we need to build alliances and coalitions because we can't solve these problems on our own.

If we're going to deal with...

(APPLAUSE)

... we're going to deal with the threat from terrorism and extremism, we got to have people on our side. We got to have the folks who know the bomb-maker down the street and turn him in. We got to have people who are rooting for America because we are the last best hope of humanity.

We got to get people back understanding that our values really should be everybody's values. You know, we believe in the opportunity for people to have freedom to make up their own mind.

It's like card check, you know. You ask somebody, "You want to join the union?" they say no, fine. More often they'll say yes. We want to give people that freedom across the globe.

So we have a lot of work to do. But I'm excited because I see it turning. I see people starting to say to themselves, "What have we gotten for all the rhetoric, all the partisanship, you know, all of the hot issues that don't give us a job or a pension or health care? What have we gotten?"

Because, you know, our country worked pretty well for a long time. And many of us are the result of what came before, people who made the sacrifice in our own families, in our own neighborhoods, the schools we went to, the unions, the jobs that were there.

I'm proud of our country. Always have been, always will. But I know we can do better. And with your help, on January 20th, 2009, when I'm sworn in as president and I inherit all these big holes that have been dug over the last eight years, and all the problems that have piled up, I'm going to hand everybody in America a shovel...

(LAUGHTER)

CLINTON: ... and we're going to start digging our way out.

And then I'm going to turn to Larry and the CWA. I'm going to say, "Connect us up, because America's on the march again and we're going to show the world we are back!"

Thank you, and God bless you!

(APPLAUSE)

(UNKNOWN): That was a home run.

CLINTON: Oh, thank you so much.

(APPLAUSE)

Thank you. (inaudible) so I'm happy I could get through it.

(APPLAUSE)

Thanks, Jeff. Thank you so much.

(APPLAUSE)

END

AFL-CIO BUILDING AND CONSTRUCTION TRADES DEPARTMENT 2007 LEGISLATIVE CONFERENCE, 3/28/2007

CLINTON: (Applause.) Good morning. It is great to be here with all of you, the people who actually build America and keep it going. And I want to thank you for the work you do every single day.

But more than that, I want to thank you for representing what is best about America. America is a land of builders and doers, and we've got to get back to rolling up our sleeves and getting the job done, and there's no people better able to do it than all of you. And thank you for that. (Applause.) I want to thank Ed Sullivan for that introduction, but more than that, for his years of work and leadership. He's been a bedrock of the labor movement. And don't let that kind and gentle manner fool you -- when it comes to the issues that matter the most, Ed is a fighter. I've seen it, you've seen it, and we're grateful, Ed, that you have that fighting spirit and your leadership has meant so much to working people. Thank you. (Applause.) I also want to recognize Sean McGarvey and Rod Bennett (ph), and the team that you have here in Washington. We work closely with you throughout the year. And there's a lot of work now to be done because, thanks to the help that many of you have given us, we, finally, after 12 long years, have a Democratic majority again in the United States Congress. (Applause.) And that means that we can start being serious about issues that matter. Yesterday I was in a hearing chaired by Senator Kennedy about the Employee Free Choice Act. We passed it through the House and we're going to pass it through the Senate with your help and your enthusiastic backing. (Applause.) Now there may be some people who will watch these proceedings on C-SPAN and they'll say, "Well, what's the Employee Free Choice Act?" "What does Card Check actually mean?" Well, you know what it means. There is hardly a square foot of America that doesn't have your fingerprints on it -- from the roads we drive on to the buildings we work in. And none of that would have been possible without your unions -- without your work and training and safety for your workforce. You get the job done and you get it done right the first time. (Applause.) I always tell people, if you want the safest, proudest, hardest-working, hardest-skilled workers, then there's just one place to look, and that is the union. And if we don't give people the chance to exercise their freedom of choice, we are undermining one of America's fundamental rights. So Employee Free Choice is about as American as apple pie. You get a chance to decide, without harassment and intimidation, that you want to be part of a union. And that's why this is important, not just to unions, but to every single American. (Applause.) But look, I know some people just don't get it. Our president, our friends here in Washington claim to share our values and support workers. But let's face it, they want to stamp out unions. They want to make them disappear. That has been their objective. And, in fact, when they see that union bug the first thing they do is call for the exterminator. (Laughter.) So I think we just have to lay it out for everybody. If you want to claim to be someone who believes in justice, fairness and the American dream -- someone who says you stand up for the American middle class -- if you think you truly are pro-worker, then you have to be pro-union. There is no contradiction. It's absolutely essential. (Applause.) You know, my friends from New York have heard me talk about this over and over. You know, the fact is we wouldn't have an American middle class without American unions. There is no other explanation because, you know, rich people you can find anywhere in the world -- and, unfortunately you can find poor people anywhere in the world. But it was America that, during the 20th Century, created this phenomenon known as the American middle class. It didn't happen by accident, it wasn't a gift, it was the result of a long struggle. And key to that struggle and our victory was the American labor movement. It has been the backbone of our democracy for generations. And yet today only 7 percent of our private sector workforce is unionized. Our middle class and hardworking families are under siege. All across America, we are seeing what happens when workers do not unionize. CEO pay is up, corporate profits are certainly up, and even productivity is up. That means people are working harder and harder. There are no harder-working people in the world than the

American workers, and yet they are not being rewarded for their hard work. (Applause.) You can look across the country -- wages haven't kept up, incomes haven't kept up. But you know what has increased -- health care costs, college tuition, energy costs. And when incomes don't keep up, then people start falling behind. That's why there's this sense in our country, as I travel from one coast to the other -- that America's middle class, and these hard-working families that are really the core of who we are as a country, have become the invisible Americans. Our president has looked right through them. If you're a worker who can't organize for better wages and safer working conditions, you're invisible. If you're a soldier in Walter Reed struggling to get treatment from the country you served, you're invisible. If you're a mother without health care for yourself and your children, a father without a job, a family that can't get by on the minimum wage because we haven't raised it in 10 years, you're invisible too. Well, I want everybody in this country to know you're not invisible to us. You're not invisible to the labor movement. You're not invisible to me. And when we take back the White House in 2008, you will no longer be invisible to the president of the United States! (Cheers, applause.) You know, that's really at the core of why I'm running for president. I think it's time we again drew on the God-given potential of every American. It's time we leveled the playing field again -- we got back to that balance of power that used to exist between labor and management that made the union movement so successful. America is at our best when we come together and actually try to meet our toughest challenges. You know, think about our history -- you can go way back to the beginning of this country. You know, I like to think about building the Erie Canal in New York. About 200 years ago, a governor named Clinton decided to link up New York City with Buffalo and to build something that people said could never be built. Well, they turned out to be wrong. And the Erie Canal was one of the wonders of engineering -- and it opened up the West and it began the incredible rise of the American economy. During the Civil War, when we were fighting to keep our country together and the future was not at all certain, we finished the intercontinental railroad system. During the Depression -- we were electrifying our country, we were building projects to put people to work and give them some sense of dignity. And many of us still use those -- we go to auditoriums that were built during that time, we go to parks that were created during that time. During the 1950s, we had the interstate highway system. During the '60s we had the space program. That's when America is at its best -- when we set goals and we get about reaching them. What are our goals today? You know, we in New York were very grateful for the help that came to us after 9/11 from across the country. And we kept waiting for our president to summon us to something bigger than ourselves. Maybe he would have said, you know, "Let's make sure we have health care for everybody who was hurt in that disaster and those are going to be sickened and then let's make sure everybody does." Didn't hear that. "How about if we have a new energy plan that puts millions of Americans to work and moves us away from our dependence on foreign oil?" Didn't hear that. Well, how about making college affordable again for the children of hard-working Americans who are now finding it beyond their reach, no matter how much they've saved? Do you remember what the president asked us to do after 9/11? "Go shopping." (Laughter.) That was it. Go shopping. I mean, I had to listen to it a couple of times to believe it myself. (Laughter.) I mean, look, I like to shop as much as the next person. (Laughter.) But I don't think that's a national goal. I think we could do a lot better than that. I think we can come together again and say, "Look, our infrastructure is crumbling." In New York City, in many of the cities through the Northeast and the Midwest, we're still using tunnels and bridges and water systems that were built 100 years ago. In the fast-growing parts of our country, in the South and the West, we can't keep up with the

need for water and other kinds of public improvements. We have an opportunity now to make it possible for us to put people to work and give you a chance once again to be part of building America. But to do that, we need a president who really believes in building America and is willing to invest the political capital and the financial resources to make that happen again. (Applause.) Well, when I'm president, we're going to start being bold again, bold and practical. I know we can do this. We've done it before. And I'm going to be looking to my friends in our unions to help us set that agenda. You know how we're going to start? We're going to end this administration's practice of harassing and bureaucratizing labor organizations, making them run through and jump through gauntlets and hoops. (Applause.) And here's a novel idea: We're actually going to appoint people to the Department of Labor and the NLRB who are actually pro-labor for a change. (Applause.) Next, we're going to stand up for Davis-Bacon, because our workers deserve fair wages and nothing less. Unfortunately, when it comes to Davis-Bacon, once again, our president just doesn't get it. Remember what he did after Hurricane Katrina? Just when people had been hit hard by a massive natural disaster and they were looking for work -- they wanted to stay home or come back home if they could get a good job -- why on earth would you repeal the law that makes it possible for them to get fair wages? Now, we stood together in the Congress and forced that to be reversed. It never should have happened in the first place. The way I see it -- (applause) -- this is not a Democratic or a Republican issue. It's a fundamental workers' rights issue. It's not about what you should or shouldn't pay. It's about setting a standard so that Washington doesn't undermine your local wage standards. And once we get that enacted, we're going to start by putting an end to the battles you have to wage every single year to get Davis-Bacon applied to federally-funded infrastructure projects. That's getting a little old. We need to end that debate once and for all and make sure -- (applause) -- we're going to make sure Davis-Bacon will apply to all federally assisted construction projects. I've worked with my friends in New York to make that happen on a number of projects -- on military bases and other federally funded projects. We're not going to have these fights anymore. The law is the law, and we're going to enforce it. And when it comes to enforcing Davis-Bacon, right now workers across America are underpaid because too many of the wage determinations under the act are inaccurate and out of date. But the Bush administration has slashed the staff of the Wage and Enforcement Division of the Department of Labor. Well, we're not going to stand for that either. We're going to fight to get the Labor Department the funding it needs to correct and update every wage determination in America so that our workers get paid what they deserve. (Applause.) And let me also say a word about those contractors who think they can get away with violating Davis-Bacon, underpaying the workers, and not get caught. It's disgraceful, it's dishonorable and it's un-American. And if this administration is unwilling to enforce our wage and labor laws, then we need to give you the power to do that. And that's why today, with my good friend, Congressman Rob Andrews of New Jersey, I'm sponsoring legislation to give you meaningful access to contractor payroll records so we will know exactly who's shirking the laws. (Applause.) You know, we're going to put in place laws with teeth and we're going to empower people to get those laws enforced. It is also time for comprehensive immigration reform, reform that includes harsh penalties for employers who skirt our laws and exploit undocumented workers. (Applause.) And we absolutely cannot accept any new guest worker programs without the strongest possible labor protections, and no exceptions whatsoever. (Applause.) It's also past time that we take a strong stance on misclassifying workers as independent contractors -- (applause) -- another way employers exploit undocumented workers. (Applause.) Now, we all know what employers are doing here.

They're trying to drive their workers beyond the reach of our most basic worker protections. And, you know, that's often led to tragic results. We've had some horrible accidents in New York where contractors didn't follow the rules, where undocumented workers were not trained or supervised, and it's led to the deaths of some of those workers. A lot of these employers are trying to avoid providing basic benefits like Social Security and overtime, workers' comp and more. This undermines the upstanding employers who play by the rules. I thought America was about playing by the rules -- no advantage to the privileged; everybody has to be on the same field, playing by the same rules. And it does deprive workers of their most basic rights and benefits. Look, let's just call it what it is. It is cheating, plain and simple, and we're going to put an end to it when we get back into the White House. (Applause.) I've also spoken to a number of you about how we need new thinking on trade policy. Now, that means trade agreements with strong protections for workers and the environment. And we shouldn't pass fast track. I voted against fast track in 2002. And until we see a wholesale change in our national policy toward trade, I will vote against fast track again when it comes up for renewal this June. (Applause.) You know, on balance, trade has been good for our country in the 20th century. But the environment has changed. You know, we're competing against countries that don't have the same laws, don't even have the same attitudes that we do. So it's time for a new approach. It's also time for a new approach to climate change. We know we've got to deal with global warming. We're seeing the effects of it. You know, diseases are moving north from the Tropics that we never saw before, not just plant diseases and animal diseases, but human diseases. We're seeing more intense storms. We know we have to reduce our greenhouse gas emissions, but we've got to do it in a way that builds up our energy infrastructure and puts millions of people to work. We need to invest in clean energy technology today so that we can create new high-paying jobs to protect our environment, to grow our economy and to finally break our addiction to foreign oil. I think this can be a win-win and I look forward to working with you to make it so. And we know we can create new jobs by finally making those investments in infrastructure. We need to have 21st century jobs in a 21st century economy that is built upon a 21st century infrastructure. We can't continue to live off the investments and the hard work of previous generations. It is time for this generation to stand up and say, "We're going to build America and our government is behind us." That also means we need bold leadership on project labor agreements. You may recall that one of the first things -- (applause) -- that the first President Bush did was to ban PLAs from federal contractors. Then President Clinton rescinded the ban. Then when the second President Bush took office, one of the first things he did was put the ban on PLAs back in place. Well, again, let me be very clear: I will again promote PLAs on construction projects in this country because we know that's the right decision for our workers and our contractors. (Applause.) You know, in the end, everything I've talked about today comes down to one simple principle: In our country, we should stand with those who stand for us -- not for CEOs who pick up their headquarters and move them to Dubai -- (boos) -- not for people who make record profits and just can't figure out how to share those with their employees; not for those on the political scene who are great at the rhetoric, but when it comes time to produce you can't find them. We need to stand with those who stand for what America stands for. That's exactly what all of you do everyday -- not just in building in the infrastructure that keeps America going, but in your service to those in need. I know about your Job Corps programs to give young people in need the opportunity to live up to their dreams. I know about your Helmets-to-Hardhats program to honor the brave men and women who served our country and make sure they're not forgotten when they come home. I know what you're doing along

the Gulf Coast to help those whose lives were turned upside down by Hurricane Katrina. We have more than 90,000 people still living in trailers. You all could have built twice that many houses in the time that it's taken to put those people in trailers and to leave them there without any help. (Applause.) I know how, after you heard the heartbreaking stories about our soldiers at Walter Reed, many of you stepped forward and said, "How can we help? We'll do it for free. We'll do whatever it takes to make it right." And I am very grateful to you. And finally, I know what you did on September the 11th -- so many of you were the quiet heroes of that day. You were the second responders in New York City and Long Island and Westchester and Jersey and Connecticut. People dropped whatever they were doing and literally raced to Ground Zero. And now many of those people who responded for us are sick. It started with the World Trade Center cough, and now it's advanced for many people so that they can barely breathe. You know, guys who could lift 300 pounds can barely walk upstairs. I am committed to doing whatever I can to make sure that everyone gets the health care that they need. And that is why working with you, I plan to create a national database of second responders -- those who were willing to pitch in when the crisis struck. And we'll know who to call the next time we need help, whether it's a natural disaster or some kind of terrorist attack, because when this country has needed you, you've never let us down -- no hesitation, no questions asked. So to those who somehow try to paint unions as un-American, as somewhat less than patriotic, I say to them, come see what I've seen. Come meet the people I've met. Come and open your eyes to what the building trades are doing. It's the height of patriotism because they know what America really stands for. We've had a tough couple of years, but the spirit of our country is strong and the spirit of your unions is as well. And working together, that is the spirit we're going to bring back to the White House. It's time that we held out our arms to every single American and said, you know what? If you work hard and you play by the rules, there'll be a place for you. We want you to live up to your God-given potential. We want you to believe again in yourselves and in our country. There is no problem we can't solve. There is no challenge we cannot meet. There are no obstacles we cannot overcome. If we just roll up our sleeves and get to work again, we'll be able to prove that to ourselves and the rest of the world. And if you give me the great honor to serve as your president, I promise you -- we will restore that spirit. We will renew the promise of this great nation. And when I meet with you on that short drive from the White House in 2009, we will be able to say, America is back. We're on the right track. We're going to show the world that we're not willing to sit back and cede the future to anybody. And that's because we have the best people, the hardest working workers in the entire world! Thank you all and God bless you! (Applause.)

GOV. JON CORZINE DELIVERS REMARKS AT HILLARY CLINTON CAMPAIGN EVENT, 4/2/2007

(APPLAUSE)

CLINTON: Whoa, thank you all -- my goodness. Thank you, thank you, thank you.

This is a totally wonderful moment in time for me because, as all the people who are behind me and many of you in front of me know, I am thrilled to have the endorsement and the support of so many elected officials and leaders from New Jersey.

I have spent a lot of time here. I look forward to spending more. And it gives me, just, such a great sense of momentum and energy to have this support from New Jersey and South Jersey, from the legislature, from members of Congress, from the clergy, so many others who are here today.

I want to thank the state party chair, Joe Cryan. Joe, you're doing a great job, and you're leading the New Jersey Democrats to a new level.

(APPLAUSE)

Mayor, I'm delighted to be here in your city. Elizabeth is a historic city, and you're making it not only a city of historic past but a great future.

(APPLAUSE)

I want to thank my good friend, Bonnie Watson Coleman. She knows a little bit about breaking barriers for women, because she's been doing it all of her life.

(APPLAUSE)

And, Bonnie, I'm so proud to have your friendship and your support.

(APPLAUSE)

And to the speaker, Joe Roberts: Joe, you'll not only be on the Christmas card list; you can come and visit from time to time.

(LAUGHTER)

I love those reasons.

You know, I am going to also recognize a few other people who are here because I want to just mention them before I get back to my friend and your great governor.

I want to thank Representative Rob Andrews and Representative Frank Pallone, who are here.

(APPLAUSE)

CLINTON: I work with both Rob and Frank. Frank has a very important position in the Congress now, where he's actually chairing one of the committees that is going to work with me when I'm president to make sure we get quality, affordable health care for every single person in New Jersey, New York and America.

(APPLAUSE)

And Rob Andrews and I have worked together on important issues, particularly as they affect working people. It is time that we, once again, put our priorities straight in America and make it clear that we're going to provide good jobs with rising incomes to the vast majority

of Americans. It is the middle class and working families that built this country and Rob understands that and is fighting with me for that.

(APPLAUSE)

And to State Senator Lesniak, I think we're in your district, and I so appreciate your support and your enthusiasm with this endorsement. And to Joe DeVincenzo, thank you so much for your leadership.

(APPLAUSE)

To Senator Buono, thank you, Barbara, being here.

Reverend Jackson, Reverend Simmons and everybody behind me -- let's give all of these leaders of New Jersey a great round of applause.

(APPLAUSE)

You know, I am thrilled to have anybody's endorsement, obviously. This is a long race, and we're putting together a great campaign. But I am especially honored and thrilled to have Jon Corzine's, because Jon and I have worked together.

You know, it is one thing to look at somebody from afar and follow that person in the news and maybe, you know, read about what he or she does. But when you work with somebody as closely as Jon and I work together in the Senate, you know you really do build a bond and a friendship.

Now, we would be friends because of that shared service, but we really became close because of what we went through after 9/11.

CLINTON: You know, Jon and I did sit near each other. I was slightly ahead of him in seniority, which I never let him forget.

We sat together in the back row of the Senate, where they put all the new people who come. It doesn't matter if you were the chairman of Goldman Sachs or the first lady of the country. You're back there, you know, just in line behind everybody else.

But we did have a good seat. We were near the candy drawer.

(LAUGHTER)

And so, when times got tough, we could, kind of, go and, you know, pull a little treat out of that drawer.

But we, seriously, went through a lot together. You know, when 9/11 hit, the whole country was, of course, sympathetic and rallied to our cause.

But Jon and I lived it every single day. You know, we were there for the people who lost their loved ones, you know, the family members who had said goodbye to their husband or their wife that morning or had just talked to their son or their daughter, and never got a chance to say goodbye and never really understood how this could have happened in America.

We were there for the people who lost their jobs and their livelihoods, you know. And we had to work on getting an agenda passed that would, number one, try to find out what happened.

You know, the 9/11 Commission did not easily pass the Congress because the White House was against it. They didn't want to explore what went wrong.

But Jon and I wouldn't give up. And thanks to that effort, we did get a commission, a bipartisan commission that was really straightforward in saying, here's what you did wrong and here's what you need to do, going forward.

And then Jon and I worked together to try to get those recommendations passed. You know, we sat together on one of the committees where I was proud to support Jon's legislation to make our chemical industry more secure. And boy, does New Jersey and New York have a big stake in whether we get that right.

And Jon pushed that legislation. He was the spokesman in the Congress. And we kept running into brick walls.

Well, finally, all these years later, we've got something passed and we finally got an agreement from the administration to do what Jon Corzine has been saying all along: Let's do it right, but let's give states like New Jersey the power to do even more.

CLINTON: And that never would have happened without Governor Corzine's leadership, and I am so grateful to him.

(APPLAUSE)

You know, Jon was there every step of the way after Enron. He put his expertise to work in trying to prevent this from happening to other people, where companies just basically pull the rug out from employees and stockholders and everybody else because they lie, they cheat, they steal.

And Jon Corzine was one of the major players in getting legislation passed to try to protect us going forward. Everybody who works for any company, anybody who has stock in any company, you owe Jon Corzine a big thanks because he was there to make sure that we're going to try to have a better system going forward.

(APPLAUSE)

You know, just a few weeks ago, Jon appeared before the committee we used to serve on together. It's called the Environment and Public Works Committee. And Jon was there to talk about how important it is for a coastal state like New Jersey, or New York, to start dealing with global climate change.

You know, it is happening. It is not some abstract problem or only affecting, you know, polar bears on ice floes. It is happening. We are seeing stronger and more frequent storms. We're seeing all kinds of changes in climate and vegetation and diseases are moving north. And so your governor was there to tell the Congress to do the right thing. And he talked about what he's doing, along with the legislature and country executives and municipal leaders like the mayor, to begin to deal with this threat.

Well today, Jon, we had a big victory because the United States Supreme Court said, "Guess what? Carbon dioxide should be regulated. It should be regulated because it's a pollutant, and we should start dealing with global climate change."

(APPLAUSE)

So Jon has been on the forefront of so many of the big issues that affect New Jersey and affect this region and affect the country. And I'm running for president because I want to get back to setting goals for our country.

And I'm old enough to remember when we had presidents who set goals. You know, I can remember President Kennedy saying we were going to send a man to the moon and bring him back safely in a decade. I didn't know how that was going to happen. I never doubted we'd do it, because that's what we did. We were Americans. We solved problems. We rolled up our sleeves. We took on the toughest challenges.

Well, what are our goals today? You know, if your grandchild or your child asks you, "Well, what is America trying to do today," what's our answer? We need to get back to the America that we all grew up in, that we were so proud of. We need to set the goal of universal health care coverage. Let's make health care affordable and available to every single American.

(APPLAUSE)

CLINTON: We need to set the goal of energy independence. We can do this. Don't listen to the naysayers in Washington. Listen to your governor. Listen to me. Listen to those who say, "Not only do we have to move toward energy independence, we have no choice. We cannot be dependent on unstable areas of the world, and they take our money which we use to buy their oil and then they use it against us."

You know, this is for our security. We cannot wait.

(APPLAUSE)

We also need to do it because it's going to be good for the environment. And, equally important, we will create millions of new, good-paying jobs for people here in Jersey and New York, across the country. Because when we put people to work with new, green, renewable alternative energy, with cleaning up the environment, those will be good-paying jobs.

So we need to set these goals and then we need to reach them. When it comes to education, let's set a goal of universal pre-K. Let's prepare every single boy and girl to go into school ready to learn and able to compete.

And let's start making college affordable again.

(APPLAUSE)

You know, it is now so expensive a lot of middle-class and working families can't even afford. And if they do afford it, they go into debt and their kids go into debt.

I'm old enough to remember when we got low, low-interest loans that we could go through college with. Because my father, you know, he's a small-businessman. He said, "OK, I've saved enough money for you to go to college, but I can only pay tuition and board. You want to buy a book? It's up to you."

So, you know, I'd worked since I was 13 -- I said, "Fine. That's a fair deal." And then when I wanted to go to law school he said, "You're on your own. I didn't plan for that."

(LAUGHTER)

So, you know, I had to go borrow money. But in those days you could borrow money at really low interest rates, and the lenders weren't playing kind of a bait-and-switch game on you where they raised the interest rates on you, where they gave you fine print and where you ended up having to pay more than you thought.

We need to set a goal of getting back the respect of the rest of the world, because we've got to lead and we need other countries to work with us.

(APPLAUSE)

Every single problem we face requires us to have alliances, coalitions. We need to start making more friends and allies instead of enemies and adversaries. Because if we're going to deal with terrorism, we've got to have people on our side, don't we? If we're going to deal with global climate change, or HIV/AIDS or any of the other issues that we face around the world, we've got to have people rooting for America again.

I will, as your president, make it my mission to rebuild those relationships. And I'll have some help from, you know, the previous president Clinton...

(LAUGHTER)

... because we'll get out there and we'll tell the world that America is back.

(APPLAUSE)

This is a great campaign, because it's time for a great debate in America. This is a defining moment. We know the last six years have not been good for our country, here at home or around the world. And we need to pull together, work across party lines, bring people into the political process so that we all together can not only look to our leadership as to what needs to be done, but ask ourselves, what can each of us do?

When it comes to health care, we all have to take better care of ourselves. We need to be strong and healthy for the lives that we lead. When it comes to energy, let's conserve more in our homes and our businesses. When it comes to education, let's make sure that we encourage those young people to do the best they can in school, because it's not only good for them. We need their brains, because we are in a competition for the future.

I Want to get back to the point where we can say to any child in America, "Here's what your president wants. Your president wants you to be part of building our nation again."

So I am grateful for this endorsement. It means the world to me. Together, we're not only going to win an election, we're going to take America back and put it on the right track.

Thank you all, and God bless you.

(APPLAUSE)

END

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS CONVENTION, 5/11/2007

CLINTON: Thank you.

Oh, we're going to get in trouble for that (inaudible).

(UNKNOWN): She understands.

CLINTON: Yes, I do understand.

You know, Charlie and I have had some great times together. And it's been a privilege and an honor working with him, and with the extraordinary professional firefighters of New York.

I mean, really, it means the world to me to have people like Bob and Charlie say what they said.

I'm proud to be a member of the extended family, Bob. Because there's no family I'd rather be part of.

It's great to be here with all of you. It is exciting to know that the issues that are important to your concerns are going to be at the forefront of my campaign.

I feel so strongly about what we need to do to provide leadership, to give you the tools that you require to do the tough jobs you're asked to do, and to do them safely and under conditions that maximize your authority to make decisions, whether it's collective bargaining decisions or working conditions or safety decisions.

I want to thank our host, Dave, and his whole team for putting this on and having us all here. Dave has been a tremendous leader here in New Hampshire. I've already seen evidence of that. And it's great to be here with his enthusiasm and energy leading the way.

I want to recognize everybody who has come from all these states. Given the political season, of course, I especially want to single out Jack Reed (ph) from Iowa.

(LAUGHTER)

You know, when I think about the challenges that all of you and your members confront, it is clear to me that sometimes you get more lip service and rhetoric than you get support and results.

I mean, it's hard to find anybody who's going to stand up and make a speech against firefighters. I mean, everybody's going to come out and be as strong as possible in telling you that they're on your side.

But when it really matters, we often don't see that support translated into positive programs that will make a difference in the work that you do.

I believe that it is my job to be a good partner with you. That's what I've tried to do in New York. And I appreciate Charlie alluding to some of the issues that we have faced.

Because to me, there aren't many people whose job description includes plunging headfirst into burning buildings, there aren't many people who go to work every day knowing that the unexpected not only could but likely will happen, there are not many people who hold the fate of their coworkers literally in their hands.

CLINTON: So I have no problem being an unabashed supporter. Because I think that it is imperative we stand with you, because you stand with us.

As a senator from New York on 9/11, I know exactly what those sacrifices mean.

We've talked about this before -- some of you were with us in Toronto, when President Schaitberger was kind enough to invite me to speak to you; some of you were with us in Washington at the legislative conference -- but I don't think it can be emphasized enough.

We lost so many brave firefighters that day who weren't even on duty, who came because they had to be there to help; people who rushed into that inferno and kept going up those stairs, laden down with a hundred pounds of equipment, trying to make sure that if there was anybody to save, they would get there.

We all watched it on television, which did not in any way do justice to the horrors that occurred on 9/11.

CLINTON: When I got there the day after -- and we were the only plane in the sky -- I'll never forget what it felt like to land at LaGuardia and then helicopter from LaGuardia to the heliport on the west side of Manhattan, and to look down into what looked to be the mouth of hell. It was so much worse than anything I had even imagined, having watched it for hours.

And as we stood on the street, and we saw firefighters coming out of that curtain of darkness -- some were dragging axes and other equipment -- it seemed to me at that moment that whatever was required to repay the debt that our country owed them, I would want to make sure that happened. The way I see it is, if you serve your country, then your country should return the favor and serve you.

We've been fighting now for six years, nearly, to make sure we take care of those firefighters.

And it wasn't just New Yorkers -- although that was certainly the bulk of the people. But people responded from all over the country. We had teams from Ohio and from California, all of whom pitched in, first in the frantic search for survivors on a rescue mission, and then

when it became clear that there wouldn't be very many, a very painful effort to try to recover bodies.

One thing that they had in common, in addition to their courage, is that many of them are now sick. And we are working toward a program to be sure that we provide the health care they need.

For a long time, people didn't really recognize what was happening. A lot of people who had been able to run marathons a week before could barely walk up stairs.

We're starting to see fatalities from the conditions that have been affecting our firefighters; also police officers, other emergency responders, some of the construction workers who dropped everything to come down and help run heavy equipment so that firefighters could get into places that would have otherwise been inaccessible. A lot of volunteers, and even people who live in the area are suffering.

And I have been honored to work with my friends -- Charlie in the state, and my friends in the city -- to try to do everything we can to get the funding to take care of everyone.

CLINTON: But it struck me in the process of making this case, because, you know, I got the first money to do this at the end of 2001. And it was money for a study to try to figure out what has happened with this so-called World Trade Center cough.

And then I realized we were going to have a much bigger problem, got some more money in the budget. The president wouldn't release the money. We had to go through all of that.

We've just been having to fight so hard to do what should be obvious to all of us, and to take care of those that took care of us -- that I was thinking that unfortunately there are so many people in our country right now who are just invisible to our current leadership. They just don't see them.

You know, if you're a child in a crumbling school somewhere, they don't see you.

If you're one of the 9 million kids without health insurance, even though the vast majority have at least one parent who's working, they don't see you either.

CLINTON: If you're a hard-working, you know, middle class man or woman who hasn't had a raise that amounts to much in the last six years, while everything else is going up in cost, you're invisible.

If you're trying to pay your gas pump bill, which keeps going up and up -- now national average back up to \$3 and it looks like it's going to go higher over the summer -- you're invisible.

But I never thought our firefighters would be invisible. I never thought that we would have to have so many conference, press conferences, events where we would bring people to Washington, where we would put them in front of the press, where they would talk about their problems, and where we had so much trouble breaking through. Now, with a Democratic Congress, we're going to get something done.

But it's not only on this health issue. If you're a firefighter who can't collectively bargain for good wages and working conditions, if you're a federal firefighter who can't qualify for worker's compensation or disability retirement, if you're a retired firefighter who can't afford health insurance, well, you're invisible, too.

And if you're a soldier who's been wounded or injured in Iraq or Afghanistan, and you come home expecting to get the treatment that had been promised to you, and you're not getting it, and you're not getting the compensation that you thought you were entitled to, well, it turns out you're invisible, too.

Our president has just looked right through you.

Well, you're not invisible to me. And I know that all of these people are not invisible to all of you. And when we take back the White House, you will no longer be invisible to the president of the United States of America.

(APPLAUSE)

You know, today people all across this country are ready for change, aren't they? They are ready for a new beginning.

One man said to me the other day, he wishes he could rewind the 21st century. Let's start it over, because we're on the wrong track.

CLINTON: And that's not what America's about. America's about going into the future with confidence and optimism, rolling up our sleeves, getting to work together.

We're ready for leaders who understand that it is our votes that put them in power and our tax dollars that pay the bill.

We are finished with the corruption and the cronyism. We are finished with the no-bid contracts. We are finished with the revolving door in government, where people serve the government, then go out and make millions of dollars lobbying it.

We are ready for a fresh start. And I am ready to be the president who leads us to that fresh start, starting in January 2009. Because I think...

(APPLAUSE)

I think we need a president again who sets goals for this country.

What are our goals? What is it we're trying to achieve? We've been the greatest country in the history of the world, because when it came to it, we would decide where we wanted to head into the future. And then we would get about the business of doing it.

We'd have leaders who would help to lead the way, but more importantly we had citizens, all of whom did their part.

Well, I want to start setting goals for us again. And one of the goals I want to set has to do with all of you. It is absolutely necessary that you have the equipment and training to do the jobs we expect you to do.

(APPLAUSE)

And no excuses, end of argument.

You know, I've supported the SAFER Act. I've supported the FIRE Act. And you all know that the president is trying to cut funding, trying to eliminate the federal help that is so necessary for many of your departments.

We're going to keep fighting until FIRE and SAFER are fully funded. We're also...

(APPLAUSE)

CLINTON: We're going to set a goal of making sure that families get the benefits they deserve through the Public Safety Officers Benefits Program.

Now, as you know, the point of the Hometown Heroes Act, which I supported, was to ensure that families of firefighters who suffer a stroke or a heart attack within 24 hours of stressful work -- like fighting a fire -- can receive benefits, because they will have been considered to have died in the line of duty.

Now, more than three years after we passed this act, the Justice Department has only now begun to consider claims. And unfortunately, of the nearly 250 claims they've received so far, they've only reviewed 40 of them and they have denied 38 of them.

Well, I don't know about you, but that doesn't sound right to me. That's why I recently signed onto a letter to the president demanding that the administration give to our families of fallen firefighters the benefits that they deserve under the law we passed.

(APPLAUSE)

We're also going to get the health care for 9/11 passed. I've already had one hearing in the Congress. We couldn't even have a hearing before we had a Democratic majority.

We had a hearing. We heard the evidence. We're going to have another hearing. And we're going to putting together a package to take care of the people that are suffering from not just asthma and bronchitis and sinusitis and laryngitis, but of serious diseases of the lungs, where they can't breathe anymore.

CLINTON: We've had five fatalities that have been linked to the toxins at ground zero. Livers have been polluted. The find of stress on the body has meant that too many people have had to take early retirement and disability.

We created that program to screen but now we have to get the money to treat. And I introduced legislation asking for \$1.9 billion for monitoring and treatment. And we're going to get that done, we're going to get that done this year.

Let's also set a goal of using our homeland security funds to actually beef up our first responders and their ability to take care of us. Too much money has been siphoned off at the state level. It hasn't gotten down into the cities and the fire departments and the police departments where it is needed.

We saw in this latest budget from the president that he proposed cutting funds for first responders by \$1.7 billion. In what he just vetoed, there was \$35 million in helping high-threat urban areas -- like many of the cities represented here -- to respond to catastrophic events.

From the very beginning of this post-9/11 era, I have worked with you, I have worked with the IAFF to come up with a formula that would get the money where it was most needed.

I see Kevin standing there. He practically became a staff member. We were working on legislation to get the money directly to all of you, not going through some byzantine bureaucracy.

But we're still not doing what we need to do. Are we safer? Yes. Are we as safe as we could and should be? No. And nobody knows that better than all of you.

We also, though, have to set some goals for our country.

How about universal health care, so you no longer have to bargain about where you're going to get your health care?

Insurance companies can't discriminate against you. They can't cherry pick. They can't exclude pre-existing conditions.

If you want to be in the health insurance business, it's going to be a new day: Provide health insurance. Don't try to avoid taking care of the people who need it, and who have paid from it.

CLINTON: I just came from Exeter Hospital, where we had a session talking about health insurance, particularly as it affects children.

And one woman -- it was just heartbreaking. She had a 20-year-old daughter in college, on the family policy. The child had pains, went to the doctor, found out she had colon cancer. Under the insurance policy, if she didn't stay as a full-time student, they would drop her coverage.

Her parents had been paying for her for 20 years on their employer-provided health insurance. If she went back to school to be a full-time student, it would sap her strength and might affect her treatment.

What a terrible dilemma to put a parent in.

They had no choice. Their daughter went back, and she took all the treatments that she had to take. Tragically, she died shortly after she turned 21.

We're trying to change the law in memory of that girl, but there are so many examples that I could give you.

Imagine if you didn't have to put health care on the bargaining table in the first place. Think of everything else you could put on the bargaining table, if you were guaranteed health coverage for you and your families.

I am not going to rest until we get quality, affordable health care coverage. And we can do it now, because everybody knows the system we have is costing way too much, too many people are not getting what they thought they'd paid for and too many people are left out altogether.

We also need to set a goal of energy independence. It is long past time for us to be paying so much money to regimes that turn around and use that money against us.

This is no longer a choice. This is a necessity.

How do we get from being dependent on foreign oil to being more independent? Use what we have: Use homegrown fuels.

You know, we can make ethanol to blend with gas from everything from corn to farm waste.

CLINTON: We can make biodiesel from soybeans. We can do what we need to do, what Americans are best at, if we have an approach like an Apollo Project that sent a man to the moon. But we can't do it if we don't have leadership.

I would start by taking the subsidies away from the oil companies. They certainly don't need our tax dollars to make the outrageous profits that they are making.

(APPLAUSE)

Let's make college affordable again. I meet people all over the country who tell me they can't afford to go to college.

I was in Maryland the other day, endorsed by Governor O'Malley, and I was talking about college affordability. And I saw this young woman's head nodding. And afterwards I shook hands with her. I said, "I saw your head nodding when I was mentioning college affordability."

And she said, "Yeah." She said, "I don't have enough money to go to college, so I'm trying to work to make enough money. And one of my friends just had to drop out. And all of my other friends have to go into debt. And then they come out with so much debt that they're paying it off for years."

At the same time, this administration has people supposedly running the student loan program who have taken stock in the student loan companies, who are ripping off families.

We're going to end that abuse. And we're going to start making college affordable for average, middle-class working families so that they can have a dream of sending their kids to college. We're also...

(APPLAUSE)

We're also going to make the tax system fair for families again. All the tax breaks -- the really big tax breaks in the last six years, have all gone to the top, you know, very biggest earners, wealthiest people in America.

Now, I've got to -- with interest of full disclosure, you know, my husband and I never had very much money. When we were in the White House, we didn't have another house to go do. We would, kind of, just wander around the country, looking for friends to take us in.

(LAUGHTER)

We didn't have any ranch. We didn't have any estate, you know...

(LAUGHTER)

So he gets out and he's making money for the first time. I have nothing against that, believe me. It's not bad.

But it's absurd that we have tilted our tax system so much toward people who are doing really well to start with. Let's begin by reforming the alternative minimum tax, which is going to take a big bite out of a lot of people.

If you're a firefighter who's moved up the ranks, and you've got a working spouse who's also making money, and all of a sudden your combined income is over \$100,000, bingo. You're going to get hit by the AMT, which was meant to prevent multimillionaires from avoiding paying their taxes.

CLINTON: So we've got to start by fixing that before it further disadvantages so many Americans.

And we're going to start standing up for labor again in this country.

(APPLAUSE)

It is an idea that I try to stress is not just for people who are unionized. I try to make the point that, you know, what's unique about America is not that we have rich people. You can find rich people anywhere in the world, can't you? And you can surely find poor people everywhere in the world.

What is unique about this country is the American middle class.

One of the reasons we have a strong middle class is because people were able to band together and organize for better wages and working conditions, starting in the last century.

Now, it's all out of balance again. We've got people who are appointed to supervise labor at the Department of Labor and the National Labor Relations Board who are not pro-labor. They're not going to enforce the laws. We've got more workplace safety issues because nobody is looking out for the worker.

A lot of people don't get this. They basically go right after unions. You know, they talk about collective bargaining undermining our national security.

Well, let me tell you something: Collective bargaining is as American as apple pie. And it's time we stood up for the right of people to have a voice in the workplace.

(APPLAUSE)

So when I'm president, we're going to have a Department of Labor that's actually pro-labor. We're going to make the union agenda...

(APPLAUSE)

... the American middle-class agenda again.

We're going to make it absolutely clear that the union bug stands for something. It's not time to call the exterminator, like the White House does when they see it.

(LAUGHTER)

And I think that we can begin to get a little balance into the balance of power.

And, finally, let's end the war in Iraq in the right way and start bringing our combat troops home, out of this sectarian civil war.

(APPLAUSE)

We know very well the high price that has been paid. And I'm working with my colleagues to try to figure out how to persuade the president to change direction.

We sent him a responsible bill last week. It would have funded our troops and begun to bring them home. And he vetoed it.

That bill also had money for the medical monitoring and treatment that I put in for firefighters after September 11th.

CLINTON: It included funding to rebuild fire stations in Louisiana that had been destroyed by Hurricane Katrina.

But I'm not giving up. And I don't think you'll find any Democrat who is giving up on doing everything we can.

And we're being joined by more Republicans. You know, a group of Republicans went to the White House on Tuesday and told the president that it was time for him to change course. He was losing the support of Republicans as well.

So we're hoping to get that message through. There's a lot of different ways to approach it. And I'm open to whatever can work.

I've joined forces with Senator Byrd from West Virginia to push a simple way forward: end the president's authority for the war.

It will be five years, as of October 11, 2007. He wants to continue a military mission in Iraq: Make him come to the American people and explain it. Let's have a debate about it. No more avoiding the hard issues about what it is we're doing there.

We gave the Iraqi people a chance for a better future. Our young men and women have sacrificed for their freedom. This is their war to win. And we can't win it for them.

And it is time that the president recognize that, and put some requirements on the Iraqis instead of giving them the blank check that they've had for way too long.

We're going to do everything possible to start bringing our troops home. But if the president will not act -- and standing here before you today, I don't know whether he will or not -- if he does not extricate us from Iraq before he leaves office, when I am president I will, beginning on the day that I am inaugurated. We're going to end our combat involvement.

Now, there may be some remaining vital national security interests, dealing with the Al Qaida network that now is in Iraq, looking for a way to make sure they don't come back on us. There may be some remaining missions, but those are minor missions in the sense of the numbers of troops that are involved. They're important, but they don't require the kind of buildup that the president has engaged in.

You know, this is not going to be easy. But I'm ready. And, obviously, I'm sure you've noticed that I'm a woman running for president.

(LAUGHTER)

As a friend of mine said, "Can't be anything else." That's the way I've lived my life.

CLINTON: And people ask me all the time, "Well, will Americans vote for a woman?" I said, "I don't know until we try."

I think Americans are ready for a leader who can make tough decisions. I think Americans are ready for the experience and qualifications that we need in the White House again.

There's no time to study these issues. We face a lot of dangers around the world, and we face them here at home. We need to be prepared immediately to defend our country, protect our vital national security interests, but begin trying to forge alliances and not alienation.

We cannot deter and defeat the terrorists abroad if we don't have people pulling for us. You can't get good intelligence. You can't rely on their law enforcement or their military help if they don't want to be with us.

One of the jobs of the next president will be to rebuild those connections again.

I'm aware of how hard this job is. It's always a hard job, and I've seen it more closely than anybody else. But it's going to be a really difficult job because of everything that has happened in the previous eight years by the time we get a new president.

And I also know that it will take everybody helping. Not only do we need a new president, but we need a country committed to making some tough decisions again.

If we're ready to take on the problems we face, then I'm ready to take on the responsibility of leading us to do that.

And I'm willing to work with anybody. I know, as some of you might recall, I wasn't exactly the endorsed candidate when I ran for the Senate back in New York. The firefighters endorsed my opponent, the police endorsed my opponent, and some people said, "Well, you know, they're not for you." "That's OK; I'm for them. You know, my job is to be for them. I didn't expect 100 percent of the vote. What I expect is that we'll be good partners to get results that really matter in people's lives."

CLINTON: When I got to the Congress, when I entered the Senate, people said, "How are you going to work with people who haven't exactly been friendly to you over these years?" And my attitude said, "Look, my job is to work with anybody to get things done for the people I represent."

And that's what I've done. I've worked across the party lines with people that I wasn't sure I'd ever talk to, let alone work with. But we found common ground, because what really matters is what we do. I'm tired of politics being about all this partisanship and posturing and, you know -- enough. That's not the way a great country stays great.

And so I will work with anybody, and I will make any coalition to get what I think done for the country that's in its best interests.

I want to end with a little story.

In 1995, my husband former Secretary of State Madeleine Albright to go to Europe to commemorate the 50th anniversary of the end of World War II. Madeleine had been born in the former Czechoslovakia, her family had had to deal with Nazism and communism, so she was happy to go.

She went over there and she went to what is now the Czech Republic. She traveled all over the country and everywhere she went she saw American flags. Not unusual perhaps. But as she looked at them, she realized they only had 48 stars.

She started asking people, "Where did you get this flag?" And the answer was the same: "When the American G.I.s liberated us, they gave us these flags. And we kept them, we guarded them for 50 years."

No matter how dangerous it was with Soviet occupation, when Soviet tanks rolled into Prague, if the people had been caught with an American flag it could have been really serious for them -- but those were family treasures, and people took care of them.

And when Madeleine asked them why, they all said the same thing: "Because we love America. Because we want to have the values that you live by in America."

I want to be the president who not only restores that feeling about our country around the world, but more importantly that's what I want us to feel about ourselves again. I want us to be proud of the goodness and greatness of this country. There's nothing we can't do if we decide to make a decision to set some goals and work together to achieve them.

Thank you all very much.

(APPLAUSE)

MODERATOR: Time for any questions?

CLINTON: Yeah, I'd love to. Absolutely.

MODERATOR: Thank you, Senator, for coming to this little union meeting...

(LAUGHTER)

... amongst friends and family.

The senator said she'd take a few questions before we break for lunch.

QUESTION: In the fire service and some others around the country, we depend on our defined-benefit-type retirement plans to provide a quality of life for us in our retirement. And currently there seems to be a lot of influence on elected officials, from the executive branch down, to look at tapping into those trillions of dollars and converting them to defined-contribution plans, where, frankly, a lot of people can make a lot of money managing those funds.

QUESTION: What can be done, what can you do, to help stop that kind of a money-grab at our expense?

CLINTON: It's a really serious problem. And if I'm not mistaken, I think Dave and the New Hampshire firefighters are working hard on some retirement issues in this current legislature, I believe. Because you're right: It's happening across the country, you know.

First of all, how do we make sure we've got the resources in the (inaudible) has already been very successful. And in some instances, it's even worse than that, because a lot of companies were taken into bankruptcy and their entire pension was eliminated or severely reduced.

I think we have to hold the line as much as we can on what remains of defined benefit plans and do what we can to try to protect the promises (inaudible) some of those are under state law or, you know, city law, so the federal government has a role, but it might not have the primary role, so we're going to have to look at how we create a system of retirement security that is going to really be there for people.

CLINTON: And I don't think we should it make it worse by going after the defined benefit plans that are still operating. So I would certainly try to figure out a way to stop the erosion of defined benefit plans, and then try to figure out what we're going to do...

(END AUDIO FEED)

END

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT A CAMPAIGN EVENT, 5/14/2007

SCHUMER: Thank you. Thank you. Is this a great day for New York?

AUDIENCE: Yes.

SCHUMER: Is this a great day for America.

AUDIENCE: Yes.

SCHUMER: Thank you. It is.

Now, in about 45 minutes, President Bush will give a speech about energy. It will be typical of his efforts. His speech will not be well thought out.

(LAUGHTER)

It will be half-baked. And it will make sure not to offend the big oil companies.

We need a president who is going to think the problems through. We need a president who is not going to be afraid to take on the special interests. And we need a president who is going to be effective at getting things done.

We need **Hillary Rodham Clinton** for president of the United States.

(APPLAUSE)

I want to tell you all a little story. Many of you know it, but maybe the rest of the country doesn't.

When Hillary Clinton first announced for senator six years ago, there were many people who were skeptical. There were many people who said she can't win. There were many people who said that she shouldn't run.

What did Hillary Clinton do? She went around the state. And in her own way that almost no one can duplicate, she listened to the people of New York. She listened to the people on the dairy farms of Wyoming County, and she listened to the people in the inner city in the Bronx, and she listened to the people in the suburbs of Manlius.

And then, as only **Hillary Rodham Clinton** can do, after listening, she came up with a program, a program that would help every portion of this state. And she worked hard and diligently. And she never got thrown off track by the naysayers and those who had animus. And she kept going forward and forward and forward.

And she put down all the naysayers and put down all the skeptics, and she won New York by nearly a landslide in 2000.

(APPLAUSE)

Well, I want to tell you, what Hillary Clinton did in New York six years ago she is going to do in 2008 as our presidential nominee and as president of the United States.

(APPLAUSE)

SCHUMER: Ladies and gentlemen, we took back the Senate in 2006, we took back the House in 2006, and under **Hillary Rodham Clinton's** leadership we're going to take back the White House in 2008.

(APPLAUSE)

So it is my honor to be part of Hillary's team, and I'm proud to be part of Hillary's team because Hillary's team is America's team. And we will move on to victory, and then we will

straighten out the problems we face in health care and education and foreign policy and energy. And even those skeptics will say they are glad that **Hillary Rodham Clinton** is running for reelection almost unanimously in 2012.

(APPLAUSE)

So it is my honor to be here today. I can tell you what a great senator she has been. I can tell you what a great candidate she has been. And I know what a great president she will be.

It is now my honor to introduce a friend of mine, somebody who has worked so hard and diligently for the people of this state, someone who has a vision of what needs to be done to make our state better. None other than our great governor, Eliot Spitzer.

(APPLAUSE)

SPITZER: Thank you, Chuck. Thank you, Chuck, for your years of leadership.

And we know as we stand here today, if there's one person to whom we can say thank you for taking back the United States Senate, restoring democracy and our values to that great chamber, it is Chuck Schumer.

Chuck, we all say thank you for what you have done.

(APPLAUSE)

SPITZER: Today we stand here unified in purpose, unified in one cause, and that is to restore these great United States of America to our rightful position in the world, the position of leadership, a leadership based on ideas, moral values, economic prowess, and, yes, military strength.

But we know there is one person who can bring us back, one person who has the vision, the courage, the guts to say what has to be said, to stand up to those interests who do not like to be stood up to. One person who back when it was not popular to talk about health care reform, she did it. When it was not popular to talk about failing education, she did it.

(APPLAUSE)

When it was not popular to talk about a military that needed reform, she did it.

She is a New Yorker through and through because she has wisdom, courage, guts. That is what defines us as a state and a nation.

When we look around the globe today, when we look around our nation, we see crisis. We see a gilded age where some know no bounds to what they can afford to buy and how they can live.

But too many others, thousands, millions, our middle class, that is suffering. Health care that drives people to bankruptcy. College bills they cannot afford. An environment that is being squandered. Jobs that are going overseas.

We know we need a new leader who understands how to address these problems, not with cheap talk, not with platitudes, not with cheap answers that after years of George Bush in the White House we know they have failed.

It is crystal clear they cannot govern, they do not know how, and it's too late to give them another chance.

(APPLAUSE)

SPITZER: We have a candidate. We have a candidate who brings every quality we need, and we know there's an old cliché, "A crisis is a terrible thing to waste."

And so we will take the crisis of today -- a crisis in foreign policy, in domestic economics, in ethics -- a crisis that needs somebody tall to stand up with pride and say, "I am proud to lead this nation, proud to look back at the values that we stand for, proud on this day that screams out as Norman Rockwell's paintings did of the great America that we dream of."

We know who that person is, somebody whom we've gotten to know as New Yorkers so often before at moments of crisis when she was there after 9/11 and she came through with that much needed federal aid, there in crisis in the Southern Tier when there were floods and she came through with sustenance and aid and moral leadership, crisis at every moment when elsewhere in Washington there was a vacuum.

And so it is with great pride that all of us assemble here today to say with one voice, "We endorse a candidacy of somebody who has proven herself time and time again, the candidacy of somebody who speaks to our hearts, to our vision, somebody whom we dream of seeing of the White House as president because we know will bring great days, once again, back to this nation.

Ladies and gentlemen, New Yorkers, citizens of this great state and nation, I present to you the next president of the United States, **Hillary Rodham Clinton.**

(APPLAUSE)

CLINTON: Thank you, New York.

CLINTON: Thank you.

This is an absolutely extraordinary experience, to stand here with so many of you on this glorious May day, with my team, this great New York team that we are part of as we lead New York into a better future and to see the possibility that this means for our country.

You know, every election is about the future, and I look out here and I see all of these students, all these young people who are here today, and I know that this election is about them. It is about what kind of lives they will have in our country.

(APPLAUSE)

I want to thank my colleagues in government and public service. We are so fortunate to have Eliot Spitzer as our governor.

(APPLAUSE)

Governor Spitzer has already made a difference in so many ways, in education and health care, and it's just beginning. I'm proud of the work that he's doing and hope to be a good partner for him in Washington.

It is hard to be a governor when there is nobody home in the White House to hear your concerns.

(APPLAUSE)

And, Lieutenant Governor Paterson, thank you for your work. You've already made a mark here in the capital as a member of the Senate.

(APPLAUSE)

And now you're leading the charge on stem cell research and so many other important issues that matter to New Yorkers.

(APPLAUSE)

CLINTON: Speaker Silver, thank you for your support and leadership.

Speaker Silver used to kid me because he had such a big Democratic majority and we didn't, in Congress.

And I used to ask for a few Democrats to be sent down to Washington.

(APPLAUSE)

Well, now we've got a Democratic majority. And we look to Speaker Silver and his Democrats to really lead the way, here in New York, about the important issues that have to be addressed.

(APPLAUSE)

And Senator Malcolm Smith is the Democratic leader in the senate. I hope some day he will be the majority leader, in the not-too-distant future.

(APPLAUSE)

And what a start Andrew Cuomo has as our attorney general, tackling...

(APPLAUSE)

... tackling an issue that I hear about everywhere in our state, and now across the country. College is becoming unaffordable for the average hardworking, middle-class family and their children.

(APPLAUSE)

I can't think of anybody more determined and dogged to take on the student loan industry and all of their scandals than Attorney General Andrew Cuomo.

(APPLAUSE)

And thanks to my longtime friend, Comptroller Tom DeNapoli. Tom was actually...

(APPLAUSE)

Tom was one of the very first people who urged me to run for president.

We were at a "Welcome home" parade for Sarah Hughes, the great Olympic gold medalist, and we're watching the parade and somebody was holding a "Tom DeNapoli for President" sign.

(LAUGHTER)

And I said, "Tom, look at that." And he goes, "You first."

(LAUGHTER)

Thank you, Tom, for your kind words.

And I also want to acknowledge, in the crowd, New York City Council Speaker Chris Quinn...

(APPLAUSE)

... New York State Democratic Chair June O'Neill...

(APPLAUSE)

... and I want to say a special word about my friends and colleagues in the Congress. No one could have a better partner than Chuck Schumer.

(APPLAUSE)

CLINTON: Senator Schumer is an indefatigable legislator. He is constantly on the move, looking for new ways to help people, trying to come up with new takes on issues. He and I have worked closely together over the last years.

I'm extraordinarily grateful to him for his friendship and his guidance, his partnership, and I look forward to many more years where we serve the people of New York and the United States together.

Thank you so much, Chuck.

(APPLAUSE)

Also making the trip to Albany today are some of the members of the House: Mike Arcuri, Kirsten Gillibrand, John Hall, Maurice Hinchey, Steve Israel, Gary Ackerman, and your own Mike McNulty.

(APPLAUSE)

I want to thank some of the mayors who have come with whom I'm worked closely over the last years.

Of course, Mayor Jennings of Albany, thank you, Byron Brown from Buffalo, Matt Driscoll from Syracuse, Brian Stratton from Schenectady, Le Roy Akins from Glens Falls, and all the mayors who are here.

And let me also recognize my county executive from Westchester County, Andy Spano; Albany County's county executive, Michael Breslin; and from Long Island, Tom Suozzi from Nassau County and Steve Levy from Suffolk County.

(APPLAUSE)

CLINTON: I also appreciate all the assembly members and state senators who are here, as well as other elected officials. Thank you all.

(APPLAUSE)

It has been an honor working with all of these elected officials and so many more across the state and so many citizens. As Chuck said, he and I crisscross the state, all 62 counties, going places to hear what's on people's minds and trying to come up with solutions to problems.

That's the way I think public service is supposed to work. I think it's my job to try to figure out how to help you solve the problems that stand in the way of your making a good living, of getting a good education, having access to health care and so much more.

(APPLAUSE)

Well, for the last six years that's not what we've had in the White House. We've had ideology and partisanship, but we haven't had leaders who brought us together, said let's roll up our sleeves and let's get to work on behalf of America.

You know, I was raised to believe that I had a strong family behind me, and I did.

My dad was a World War II vet, came home from the Navy, started a small business, started a family, taught me those basic American values of hard work and individual responsibility and self-reliance.

And my mother, who didn't have a very easy life of it, her parents were very young, they got divorced back in the 1920s, which wasn't easy, and they sent her and her little sister, when my mom was 8 and her little sister was 3, by themselves on a train from Chicago to California to live with her father's parents.

After a while, that didn't work out very well, so she left home at 13 and went to work in somebody else's house as a mother's helper.

You know, it sounds kind of harsh, a 13-year-old basically out on her own like that. She had to get up early in the morning and prepare the children of the house to go to school. But in return she got to continue to go to high school, and for my mother that was very important. And she also saw a family that really loved and supported each other.

So although she never got a chance to go to college, she believed in education, and she believed in doing everything she could to give my brothers and me the best start in life.

And I had a community. You know, I wrote a book called "It Takes a Village."

(APPLAUSE)

I believe that it takes a lot of people working together. People, yes, in government, people who guard our streets as our police officers, who protect us, like our firefighters, our teachers, our coaches, our clergy, people working together.

But I also believed I had my country on my side.

CLINTON: I believe that we as Americans have been given a great gift. And part of it was to do our part to help realize the goals of America.

You know, when President Kennedy said we were going to send a man to the moon and bring him back in the decade, I didn't know we were going to do that, but I never doubted we would.

And when President Johnson said, "We are going to end discrimination, and we're going to begin to act like the Americans we should be and guarantee the right to vote," I knew it would be hard, but I never doubted we could do it.

Well, what are our goals today? If one of these children ask you, "What are the goals of America?" what is our answer? We haven't set them. We don't have a vision that has goals for where we need to be as the greatest nation on Earth.

Well, I want to be a president who sets goals for America again. And I believe...

(APPLAUSE)

I believe we're ready for that.

Let's set a goal of quality, affordable, universal health care coverage for every single American.

(APPLAUSE)

Let's set a goal...

AUDIENCE MEMBERS: Hillary! Hillary! Hillary!

CLINTON: Thank you.

(LAUGHTER)

Let's set a goal of energy independence and security. Enough with the talk. Enough with the speeches. Let's have an Apollo Project that says once and for all, we're going to end our dependence on foreign oil and move toward green renewable energy.

(APPLAUSE)

And I know how we can start doing it. I've proposed a strategic energy fund. And I know where we can get the money for it. Let's take away the subsidies from the oil companies, and have them be part of the solution instead of the problem.

(APPLAUSE)

Let's set a goal of new, good, high-paying jobs for Americans.

You know everybody knows CEO pay is up, the stock market is up, corporate profits are up. But you know what isn't up: Average wages and income are not up. And it is time...

(APPLAUSE)

It is time we had a president again who stood up for the American middle class, which, after all, represents the best of our country and is the engine of economic prosperity.

(APPLAUSE)

CLINTON: I believe we can create millions of new jobs through a new energy future and from tackling global climate change.

I have seen it in our own state.

I have been to Cummins Engine, that is making an engine for low- sulfur diesel that they are now going to be exporting around the world from Jamestown.

I've been to Corning, which is creating filters to catch all of the pollution from diesels like on our school buses. Hundreds of people are being employed.

I have visited our universities that are doing research in new solar, new wind, new biodiesel and biofuels.

Let us begin to do this as a nation. We don't have anything to be afraid of. There is nothing America can't do, if we put our minds to it and work together.

(APPLAUSE)

Let's set a goal in education. Let's begin by changing No Child Left Behind, an unfunded mandate that has fallen heavily on our schools.

(APPLAUSE)

Let's look at preschool education, where we can give young children a real fighting chance to be competitive when they get to school. And on the other end, let's help the attorney general finish his work and make college affordable again.

You know...

(APPLAUSE)

... when I went to college my late father said, "We've saved enough money for tuition and board. But if you want to buy a book, you're going to have to earn the money." And that was OK, because I'd worked ever since I was 13.

And then I decided to go law school. And I came back and I told my dad. And he said, "That wasn't part of the bargain."

(LAUGHTER)

So I could go out and borrow money from the federal government, a program called the National Defense Education Act. I could borrow at a very low interest rate. I didn't have to worry about these student loan companies ripping me and my family off.

I don't want any family to have to worry about that again. And we're going to fix that as soon as we can.

(APPLAUSE)

CLINTON: You know, we can't do any of this if we don't reform our government. We have seen a culture of corruption and cronyism in the last six years.

Let's end the no-bid contracts for Halliburton and all the friends of this administration.

(APPLAUSE)

And, of course, we have a lot of work to do around the world.

You know, the members of Congress, Senator Schumer and I are working every single day to try to persuade or require the president to change course in Iraq. We passed legislation that would have funded our troops and began to bring them home. He vetoed that. He vetoed the will of the American people.

Well, we are telling the president that we will keep working until we have a policy that begins to bring our troops home and extricate us from the sectarian civil war in Iraq.

(APPLAUSE)

But I want to be completely clear with you: If the president does not end the war in Iraq before he leaves office, when I'm president I will, as soon as I take office.

(APPLAUSE)

And, you know, let's begin building bridges and alliances with our friends and people around the world. We can't win the war against terrorism without friends who will stand up with us, report suspicious activity, be on our side.

We can't deal with global climate change unless the United States leads and the world comes with us, or with HIV/AIDS or any of our global challenges.

I want to be a president who begins to bring the world back together under American leadership, using our moral authority, using our values again.

(APPLAUSE)

You know, my friend and our former Secretary of State Madeleine Albright went to Europe at my husband's request in 1995 to commemorate the 50th anniversary of the end of World War II.

CLINTON: Some of you may know she was born in Czechoslovakia. She had to confront Nazism and communism. And so she was the perfect person to represent us.

So she traveled throughout Europe and then she got to what is now the Czech Republic and she went all over the country. And everywhere she went she saw American flags. But as she looked more closely, she realized these flags only had 48 stars.

And she started asking people, "Where did you get this flag?"

And the answer was the same: "When the American G.I.s liberated us, they gave us these flags. And we have guarded them for 50 years. We knew that it would have been dangerous to have been found with them, and certainly under Soviet occupation."

And when the Soviet tanks came into Prague, someone found with an American flag would have been in very serious trouble.

And Madeleine says, "Why did you save these flags?"

They said, "Because we love America. We believe in America's values. We want to live by those values."

I want to be the president who restores that feeling around the world again.

(APPLAUSE)

But equally importantly, I want us to feel about ourselves that way again. This is a good and great nation. And I want us to believe it and to feel that we are contributing to its progress.

But I can't do this without your help. And I'm asking you to join my campaign, to be part of it, across New York, to reach out to your friends and colleagues who live across America.

I want to ask you to join in a very specific way today.

Now, as you know, we have a Web site, <http://www.hillaryclinton.com>. But now, for the very first time, you can use your cell phones and text messaging to communicate with me and to join the campaign.

It's a first. And I wanted to start it right here in the state of firsts, in New York, right here in our state capital.

(APPLAUSE)

So are you ready?

(APPLAUSE)

Well, take out your phones. If you have a phone, open it up, raise them up high. Now, get ready to send me a text message.

(LAUGHTER)

All right. Send "Join" to 77007. That is, send a text message to this number, 77007, and type the word "join," J-O-I-N, to become part of my campaign for change.

Now, if you text message every day, it's a snap. But if it's new to you, ask for help from somebody, especially a young person who's nearby...

(LAUGHTER)

... because they know how to do this.

So join us now, here in person, on the Web or on your phone. Ask your friends, your families, your neighbors and your co-workers to be part of this campaign for change.

I need your help. If you're ready for change in America, I'm ready to lead it.

Thank you all very, very much.

(APPLAUSE)

END

DEMOCRATIC MEMBERS OF CONGRESS HOLD A NEWS CONFERENCE ON TROOP PAY INCREASES, 5/22/2007

CLINTON: Well, thank you so much, Senator Kerry.

I'm proud to join Senator Kerry, along with the members of Congress, to support raising the salaries of our men and women who wear the uniform of our country.

Now, this is a moment of profound challenge for America. And it's especially a moment of great danger for our men and women who serve us.

While there are strong disagreements here in Washington on any subject you can name, I hope we can unite around our common values when it comes to how we treat our service members.

Now, if you serve your country, your country should serve you. That's the promise that we make when a young man or woman signs up to defend the United States of America.

Sadly, too often in the past several years that promise has been broken, whether it's a lack of armored Humvees or body armor, a lack of appropriate care and outpatient facilities at Walter Reed and elsewhere or a lack of the necessary resources in the V.A..

And now we learn that the Bush administration stands against a modest pay increase, a modest pay raise to support the families of those who serve, to cover the expenses of everyday life, to live on the modest salary that we provide for the men and women of our military.

You know, the pattern is clear. The president asks our troops and their families to bear a great burden. But when it comes time to match that sacrifice with enough resources or smart strategies, the president is not there.

We're borrowing billions to cover the cost of the war in Iraq. Think about it this way: Every day, we borrow money from China to pay our troops. I think that undermines our security. Why compound it by not providing the pay raise that our troops need in order to do the work that we've asked them to do?

We obviously have bigger issues -- when we finally are able to address them -- with respect to how we're going to fund the military, what we're going to do with respect to fiscal responsibility and how we're going to take care of the V.A.

CLINTON: But now the issue before us is whether we're going to provide this modest raise.

I met Captain Patrick Murphy in Baghdad in 2003. And he made a tremendously positive impression on me. He was serving with the 82nd Airborne. I was with Jack Reed. We went from the Green Zone into Sadr City to go to the forward operating post that the 82nd had set up. I was privileged to have lunch with then-Captain Murphy.

And, you know, maybe it's because I have a lot of personal contact with the young men and women who wear the uniform from New York, and now increasingly from around our country. Maybe it's because I've done a lot of work with our wounded vets and have seen the impact of losing limbs and suffering from traumatic brain injury. Maybe it's because these are the best that America has to offer. But for the life me, I don't understand why this administration would stand in the way of giving this pay increase to our military.

We know that they deserve it. And we know that we're going to do everything we can in the Democratic Congress to make sure that they get it.

MURPHY: Thanks, ma'am.

Thanks, everybody, for being here. I'm Patrick Murphy from the 8th District of Pennsylvania, which is Bucks County, northeast Philadelphia and a small slice of Montgomery County.

I left active duty back in 2004, when I came back from Baghdad. And I was a member of the 82nd Airborne Division.

I serve on the Armed Services Committee, so we were the ones that did the markup to this bill. And I always point when they say, "Well, support the troops." We are the troops.

There's 49 new freshmen in Congress, in the House of Representatives. Five of those 49 are veterans. All five are Democrats.

Now, I was kidding with someone the other day. Tim Walz and I share a very small apartment here on Capitol Hill. And someone said, "Well, you know, you were a captain. He was a command sergeant major. So you outrank Tim Walz."

I said, "Obviously, you didn't serve in the military if you think a command sergeant major is outranked by a captain."

(LAUGHTER)

MURPHY: But I want to talk about what we believe in, the values that we believe in, and the things that we need to do to support our troops.

This defense bill is making sure that our armed forces, which have been stretched so thin by this president, are ready and able to continue protecting our families here at home.

We support the troops and we are giving them the right equipment, like mine-resistant vehicles. We are giving them a pay raise, not a pay raise that we really should be giving them, but a 3.5 percent pay raise. And we are increasing the benefits to those spouses who had to face the worst news of all -- the death of their husband or wife.

Unfortunately, President Bush's opposition to doing the right thing by our troops is a pattern of neglect. I'm sad to say this is not the first time this has happened under his watch.

When I was back in Baghdad, back in 2003, in August it was 138 degrees. They called it fire month. And the Pentagon under the Secretary of Defense Donald Rumsfeld and President Bush wanted to cut our combat pay. They wanted to cut our combat pay in the middle of a war zone. And that's an increase in pay to our soldiers in monthly stipend.

And threatening to cut what's called imminent danger pay, and threatening to veto this bill with a pay raise, shows that President Bush is out of touch with the needs of our military.

With this defense bill, with this pay raise we're not talking about a lot of money. But if you're an enlisted man with a couple years of service under your belt the money can make all the difference in the world. A pay raise of 3.5 percent for a private making \$17,000 a year is less than \$1,000 per year.

But with bills to pay and young children to support, several hundred dollars a year is a big deal.

MURPHY: As someone who's fought in Iraq and spoken to our families shattered by tragedy, it is wrong that President Bush will threaten another reckless veto against our soldiers.

We need to make sure our armed forces are strong, both in equipment and in spirit. We need to make sure they are prepared to face future threats.

This defense bill takes care of the present troops while keeping an eye on our future ones.

Mr. President, do the right thing -- for a change -- and sign this bill.

Thank you very much.

And, now, my roommate.

Come on in, Sergeant Major Tim Walz.

(LAUGHTER)

WALZ: Well, thank you to my roommate, Captain Murphy.

(LAUGHTER)

But a special thank you to two of the staunchest supporters the military's had, and I say that to you as the highest ranking enlisted soldier to ever serve in Congress since the beginning

of this nation, Senator Kerry and Senator Clinton. They understand this absolutely the way it is.

And our soldiers -- and our soldiers in uniform, especially in harm's way, are the greatest asset this nation has.

We have a president and an administration that seems to play that to the American public. And they oftentimes stand in front of those soldiers. But they have the opportunity this week to stand behind them and to do the right thing. And they chose against that.

Having come and spent my career in the National Guard and the overemphasis on the National Guard and the heavy burden that's being placed on these soldiers, my district of southern Minnesota is home to the 1st Brigade Combat Team of the 34th Division. That division has been in Iraq now and has been deployed since August of 2005. They are going to have the distinction of being the longest deployed National Guard unit in the country.

They're scheduled to get back in August if all goes well. That will be 22 months.

The burden that's being placed on this family adds an extra burden. When the president says they simply need to keep place with the private sector, the private sector doesn't have single parents trying to shuffle kids off to soccer games and trying to get them to school with a single parent while the father and mother are in harm's way in Iraq.

What we try to do is make a modest increase to this -- a modest increase to try and show our thanks and appreciation to our soldiers.

And I can tell you, having been with these soldiers and having been with deployed, they're not in it for the money. But the money helps keep their mind off the troubles at home. The money helps keep them focused on the mission at hand. The money helps keep them knowing that their family's being taken care of so they can do our business.

And by the president to flippantly announce that this was unnecessary shows a total disregard of the reality of what soldiers go through.

So I want to thank the leadership in the House. I want to thank, especially, Captain Murphy, who has been there every step of the way for these soldiers and understanding this is not a partisan issue; this is not about trying to stage an event to make sure that you get the press, to stand in front of the soldiers.

This is about saying these people are sacrificing, whether you agree with the mission or not, you do agree that these soldiers need to be taken care of.

So I applaud them. I applaud our Senate leadership. And I applaud our House leadership for bringing this to a vote and getting the support that it needed.

So I thank you for that.

EMANUEL: I want to make a couple quick points that haven't been made. The Kaiser Foundation did a study. One out of five of our military families rely on either food stamps or the WIC program to make ends meet -- one out of five.

So we are talking about something that's essential to folks.

EMANUEL: The second is, I've participated in an administration where we've written a number of administration policies. I really want to know who the knucklehead is that said that combat pay -- that pay at 3.5 percent is too much. I want to know who the person is that recommended a \$40 a month survivor's benefit was too much for the wealthiest country in the world.

Now, I applaud the administration for one simple thing, because when you write a statement of administration policy, not just one person sees it, everybody looks at it, and not one person in that administration said, "You know what? This may be a political problem. Forget the policy. This may be a mistake. We're in the middle of Iraq and Afghanistan and we're going to deny a pay increase of 3.5 percent and survivor benefits of a month for \$40."

And nobody who looked at that statement, after everything Patrick said, during combat pay, they opposed it. Imminent danger pay increase -- opposed it. Nobody thought, having seen this, it was wrong.

And since last Thursday when we've been hitting on this, there is still not one statement out of the administration on this. We're asked them to tell us why you would veto a bill over an increase in pay for our enlistees and a survivor's benefit and nobody will take ownership of this issue. Not one person.

And the only thing I can say, having opposed this pay raise, opposing this survivor's benefit, opposing the combat pay, and opposing the imminent danger pay, they are consistent in their opposition to the pay increases for our enlistees and Guard and Reserve.

Rhetoric is fine. Put the resources next to the rhetoric. But nobody in this administration has taken ownership of this veto threat.

They will get on the president's desk a defense authorization bill that increases the combat pay and ensures the survivor benefits has an additional \$40.

And then the president will have to make a choice: to stand by the policy recommendations of a veto based on those two things or stand by what the American people, as my colleague said, not in front of them, but behind them.

It's the right thing to do, and the president will have a choice to make.

KERRY: Any questions?

QUESTION: Senator Clinton, you're on the Armed Services Committee. It's going to decide today in the Personnel Subcommittee whether it's going to include the pay raise...

CLINTON: We are recommending that it be included.

CLINTON: As you may well know, we don't talk about the markup of the defense authorization bill until it's over. And so therefore, I can't go into details, but you can be assured that a number of us are certainly proposing that we include the House-passed pay raise.

QUESTION: (OFF-MIKE)

CLINTON: I have voted to lower the number of the temporary guest workers. I have voted against the idea of a guest worker program that has a lot of problems associated with it, as I think this one does.

We are still in negotiation. We are still trying to figure out what alternatives we might have. And so stay tuned.

QUESTION: (OFF-MIKE)

CLINTON: Well, again, you know, we don't yet have the supplemental. There's a lot of discussion in the press about it, but unless the House has it -- do you have it now, Congressman Emanuel?

EMANUEL: Let me just say this...

(CROSSTALK)

EMANUEL: I got it, thank you. This one I know how to do.

(LAUGHTER)

But I appreciate the guidance and counsel.

Let me say this, out of respect to our leadership. If I'm not mistaken the two leaders, Senator Reid and Speaker Pelosi, are going to be holding a press conference a little later. And I don't want to be presumptuous and get ahead of them. It's a fair question, but I think they'll answer it then, if you just hold off until about 2:15.

END

SEN. HILLARY RODHAM CLINTON DELIVERS REMARKS AT MANCHESTER SCHOOL OF TECHNOLOGY, 5/29/2007

(JOINED IN PROGRESS)

CLINTON: ... a middle-class lifestyle.

Now, during the second half of the 1990s, productivity growth led to rising incomes across the board.

But over the past six years, while productivity has gone up 18 percent -- that means Americans are working harder than ever and, by most indicators, working harder than anybody else in the rest of the world -- family incomes have gone down \$1,300.

The global labor market may even be depressing wages for skilled and professional jobs. Since 2001, new jobs created in America pay, on average, 21 percent less than the jobs we have lost.

And back in 2000, child poverty was the lowest it had been in 20 years. Since then it has risen by 1.3 million. And today we have 12 million children living in poverty.

Now, given these realities, it's unsurprising we're seeing rising inequality and rising pessimism in our workforce.

Today more than 80 percent of Americans believe that our manufacturing jobs are at risk of being outsourced.

And let's be clear. It's not as if America hasn't been successful economically these past years. But the measure of success doesn't relate what's happening in households across our country, because, while productivity and corporate profits are up, the fruits of that success just hasn't reached many of our families. It's like trickle-down economics, but without the trickle.

As a result, the gap between those who are enjoying the fruits of the modern economy and those who aren't is growing wider.

In 1970, the top 1 percent of households held roughly 9 percent of our nation's income. In 2005, they held 22 percent, the highest level since 1929, a year that isn't exactly one of our best years in American history.

Now, our founders knew that inequality wasn't good for our country. They believed that vast concentrations of wealth were a threat to democracy. They believed America should give everyone, not just the children of the landed gentry, the chance to fulfill their God-given potential.

But today, that ideal is at risk. We are in danger of losing that uniquely American engine of opportunity that has created so much wealth and spread it so widely.

CLINTON: Believe it or not, today in some parts of Europe there is more social mobility than right here in America.

Well, now we haven't heard much from Washington in the past six years about how to solve this growing problem of inequality. In fact, the tax, investment, trade and budget policies of the administration and its allies in Congress have made the problem worse.

I believe people are fed up with the policies of the past six years. So many people I talk to just want to hit the restart button on the 21st century and redo it the right way. And I agree with them.

(APPLAUSE)

Now, after all, we started the decade with rising incomes, declining inequality, robust job growth and a surplus in our federal budget. Instead of building on policies that worked, the Washington Republicans reversed them with predictable but intolerable consequences.

I believe that one of the most crucial jobs of the next president is to define a new vision of economic fairness and prosperity for the 21st century, a vision for how we ensure greater opportunity for our next generation, and then to outline a strategy and then to implement it.

Today, I believe we need a new progressive vision for this new century.

Now, I consider myself a thoroughly optimistic and modern progressive.

I believe we can grow our economy in the face of global competition, and in a way that benefits all Americans.

I believe we can curb the excesses of the marketplace and provide more opportunities for more Americans to succeed.

I believe we can support and promote smart trade policies that truly enforce strong labor and environmental standards.

CLINTON: I believe we can help more workers join unions to improve wages and conditions in our workplaces for jobs that cannot be shipped overseas.

I believe that, just as 20th-century progressives fought corruption with a new civil service, we can restore competence to the front lines of our government and ensure that we never, ever experience another Hurricane Katrina.

In short, I believe that our government can once again work for all Americans. It can promote the great American tradition of opportunity for all and special privileges for none.

Today I want to focus on how we ensure both strong economic growth and economic fairness.

Now, we have seen for more than a century that fairness doesn't just happen. It requires the right government policies. And no one should be surprised, human nature being what it is, people will go as far as they possibly can get away with.

The genius of the American economic in the 20th century was that it helped to counter that tendency for people to push as far as their own interests would take them so that we created a leveler playing field that benefited everyone.

Unfortunately, for the past six years it's as though we've gone back to the era of the robber barons. Year after year the president has handed out massive tax breaks to oil companies, no-bid contracts to Halliburton, tax incentives to corporations shipping jobs overseas, tax cut after tax cut to multimillionaires, while ignoring the needs and aspirations of tens of millions of working families.

And how has he paid for all of this largess? By running up record deficits. He has simply charged it to our national credit card and left our children and grandchildren to pay the bill.

In fact, every baby born today starts like with \$29,000 of national debt on his or her tiny shoulders, the largest birth tax in our nation's history.

It's also important to understand these policies are consistent with the administration's theory about how we should manage our economy: leave it all up to the individual.

That's why they want to privatize Social Security and let individuals bear the risks. It's why their answer to the health care crisis is limited to creating health savings account, which allows the healthiest people to get the best deal, with little concern if the sickest get worse.

CLINTON: They call it the ownership society. But it's really the "on your own" society.

On the other hand, they protect the drug companies from competition, including from their own products coming back across the border from Canada. And they give health care companies a subsidy of more than \$1,000 per person to compete with Medicare. That is hardly the free market at work.

As a result, too many of our families are left running in place or falling behind.

Health care premiums have gone up 87 percent since 2000; college costs up 40 percent since the 2000 school year. Gas prices have more than doubled. And I don't need to tell anyone that they're heading even higher today.

Wages and incomes are lagging so much that, after five years of overall growth, there's been a 4 percent increase in the percentage of workers falling below the poverty line, and a 4 percent increase in working families losing their health insurance.

It's like our middle-class and hardworking families are invisible to this president.

If you're a worker who can't organize for fair wages and safe working conditions, you're invisible.

If you're one of the over 45 million Americans who don't have health insurance, you're invisible, too.

If your company has shipped your job overseas and you don't know how to pay your bills, well, you're invisible.

If you drive up to the gas station and have to pay \$3.20 or \$3.30 a gallon to fill up your tank, you're invisible as well.

Well, you're not invisible to me. And we can't restore the American dream unless you're a very visible part of it.

It's time for a new beginning, for an end to government of the few, by the few and for the few, time to reject the idea of an "on your own" society and to replace it with shared responsibility for shared prosperity. I prefer a "we're all in it together" society.

Now, there is no greater force for economic growth than free markets, but markets work best with rules that promote our values, protect our workers and give all people a chance to succeed.

When we get our priorities in order and make the smart investments we need, the markets work well.

Some of you might remember that, while we began the 1990s with record deficits, we ended the decade with a balanced budget, a record surplus, higher wages for the middle class, and 22 million new jobs.

Now, of course, we can't simply recycle the policies that worked in the 1990s. These are different times.

But we can return to many of the principles that guided us then, the principles that have worked time and time again to build our economy, expand opportunity, and offer all Americans the chance to have that American dream which we promised.

Now, I'm the product of this chance. I grew up in a middle-class family in the middle of America in the middle of the last century.

CLINTON: My father came back from World War II after having served in the Navy, and he worked hard to build his small business. He believed that one should avoid being in debt at all costs, and instilled in me the importance of being responsible with a budget at an early age, a value I still hold dear today.

Like millions of other families, we worked hard, we saved and we invested. And together, our determination and work ethic helped to create the American middle class.

Now that middle class is under assault from global economic forces and wrongheaded economic policies. So I'm proposing a new progressive plan to restore that American dream and to give all Americans the chance to compete and prosper in the global economy.

Here's what I believe we should do.

First, I'm going to work to level the playing field and reduce the special breaks for big corporations. We say this in every campaign. We make a little bit of progress. And then unfortunately, when the Republicans get back in office, they reverse everything we've done and add to the corporate welfare.

Well, I think we're going to have a better shot this time...

(APPLAUSE)

... because we're going to make it an issue in this campaign. We're going to ask people who are running for Congress to sign up one way or the other: Are they for corporate welfare, or are they for the average American having a decent shot at the American dream?

And there's a lot we could do right now.

You know, I believe that if we did give Medicare the chance to negotiate with drug companies, we would save \$10 billion to \$15 billion a year. Why should the drug companies be immune from the process that goes on every day in America, where you bargain for the best deal you can get? And we need to give our government that opportunity to do so.

When Bill was president, he gave it to the V.A., which is one of the reasons why the V.A. has the lowest drug prices in America today. Bargaining really does make a difference.

CLINTON: We also need...

(APPLAUSE)

... to require the big oil companies that are making the largest profits in the history of the world to invest in alternative energy themselves or pay into a fund to spur clean energy research and development. And there are many other examples that we could all give about how to zero in on corporate welfare.

Second, let's once and for all get rid of the incentives for American companies to ship jobs and profits overseas. It is one thing for the marketplace to encourage overseas investment. It's another for our own tax code to do so.

But that's exactly what is happening. Today, American companies that ship jobs overseas don't have to pay a penny in American taxes on the profits they make abroad unless they bring those profits back to the United States. And, of course, they don't bring them back because they don't want to pay taxes on them.

It's estimated this policy costs us billions of dollars each year in lost tax revenues. Even worse, we actually put companies that want to create jobs here on our shores at a disadvantage to those who ship jobs to tax havens.

Now, when I'm president we're going to reward decisions to create jobs here at home. We will consider eliminating the deduction for the actual costs of moving jobs.

These are decisions that, if there's going to be a level playing field, there should be no advantage given to anyone who takes a job and sends it overseas at the disadvantage of our workforce.

(APPLAUSE)

CLINTON: Third, let's reform the governance of our corporations and our financial sector. If you have any doubt about whether corporate governance impacts ordinary Americans, just think back to what happened at Enron, where thousands of workers lost much of their retirement savings.

The way I see it, allowing CEOs to escape with golden parachutes while their companies abandon workers' pensions does not honor our values.

We need to open up CEO compensation to public scrutiny and public challenge and ensure that boards of directors are independent when determining CEO pay. And we need to update our regulations to confront the emerging problems in our subprime and private equity markets.

Fourth, let's restore fiscal responsibility to our government. Let's get back to balanced budgets and save Social Security instead of running up our deficits.

(APPLAUSE)

You know, people ask me all the time, "Why can't we get tough on China?" Well, the answer is, because China is one of our bankers. We're their debtor. How can we truly enforce trade laws against a country that manipulates its currency and puts us at an unfair advantage when our economic stability depends on China's massive loans to us every single day?

And when the president's irresponsible tax breaks for high-income Americans expire, we will return to the income tax rates for upper-income Americans that we had in the 1990s, rates that were consistent with a balanced budget and economic growth.

For middle-class Americans, who haven't seen their paychecks increase, let's keep the middle-class tax cuts and reform the alternative minimum tax in order to give middle-class Americans the tax relief they deserve to have.

(APPLAUSE)

CLINTON: And let's take a hard look at corporate tax reform. It's simply not fair that as corporate profits have skyrocketed, the percentage of taxes paid by corporations have fallen.

It's time we restored the balance and required corporations to pay their fair share. Under the law, after all, they are citizens of the United States, with many of the responsibilities, I would argue, that goes with citizenship.

Fifth, let's recommit ourselves to the idea that every young person in America who wants to should have the opportunity to attend college, and that a 21st-century education starts early in life and continues well into adulthood.

(APPLAUSE)

We know that having the most skilled, educated workforce in the world is key to our future success. That starts at the very beginning, with access to universal pre-kindergarten: high-quality learning opportunities for every 4-year-old in America. And I've laid out a proposal that would do exactly that.

We know that pre-kindergarten keeps kids in school longer, keeps them out of trouble, gives them more incentive to be academically interested and that it is a good payoff for our country: For every dollar invested, we get a \$7 return.

The alternative is to pay costs in other ways. A startling fact is that some states in our country, when they're planning how many prison beds they need, look at third-grade test scores. And they extrapolate from the number of children who are failing in third-grade reading as to how many prison beds they'll need.

CLINTON: That's a lot more expensive than providing pre-kindergarten to those same children to hopefully keep them out of our prisons.

We also have to do more to raise up the opportunity for young people from middle-class and working families and poor families to be able to go to college.

You know, 75 percent of students at America's elite colleges come from the top 25 percent of the income bracket, just 3 percent from the bottom 25 percent.

We've got to make college affordable again, and that means everything from increasing Pell grants to changing the way college loans are provided and cleaning up the college loan industry from all of the scandals that is besetting it. Because if we don't make college affordable, we are seeing the results: Young people can't go.

The last time I was in Manchester I was talking with some of the teachers from one of the high schools here who told me that many young people were just really confused because

they didn't have the money to go to college, and they didn't know what they were going to do. So we've got to do a better job than that.

Sixth, for those who don't attend four-year colleges and those in the workforce who need to update their skills, let's provide more support for schools like this and for community colleges that prepare people for good, high-paying jobs.

And let's provide wage insurance for our workers so that if you lose your job because of our trade policies, you can get the training and support you need for a new and better job.

There are a lot of jobs in our country that are going begging because we don't have the people with the skills to be able to fill those jobs.

Two examples.

We will need 35,000 automotive mechanics every year from now until 2010.

CLINTON: Automotive Retailing Today reports that we have 37,000 vacancies for mechanics right now. These jobs pay salaries up to \$70,000 a year. And employers are aggressively recruiting talented high school graduates to fill these positions.

I met recently with the Machinists Union. They were telling me the same story about airline mechanics. They have hundreds of good jobs that they can't fill.

It's not just that we can't fill these jobs; it's that we've come to a point in our society where, frankly, we don't show the respect that these jobs should demand.

And this is something...

(APPLAUSE)

... this is something I feel very strongly about. We have sent a message to our young people, that if you don't go to college and you don't have a high-paying job, something like a basketball player or an entertainer or maybe someone in a corporation, that you're thought less of in America.

We have to stop this. Our country cannot run without the people who do the skills that are taught in this school. And it is time we begin to reverse the attitude that I think for too long has prevailed.

Which is why I'm so pleased that Governor Lynch will be adding to the money available through the state for technology and other kinds of advanced degree learning that can give young people a belief that doing these jobs is important.

As senator, I championed regional skills alliances that support employers in the same geographic region and industry. They support employers who pool their resources and broaden opportunities so employees can get the training they need in today's economy.

Those 1,200 people who come at night: That's what they're doing. They're trying to get additional skills that will enable them to fill jobs that already exist in this region.

And we're going to create more jobs and more regional skills alliances when I'm president.

Seventh, let's ensure that people who work hard every day can support their families and save for the future. I do not believe anyone who works full-time in America should draw a wage that puts that person below the poverty line.

If you're a full-time worker, you should make more than poverty.

(APPLAUSE)

Now that we've finally increased the minimum wage, let's expand and simplify the earned income tax credit so no one working full-time lives in poverty.

Let's also finally overhaul our unemployment insurance program.

Today's unemployment benefits aren't even enough to keep an average family above the poverty line. And many workers in today's economy, including part-time and self-employed workers, are still ineligible for unemployment insurance.

You know, our unemployment system has hardly changed at all over the last 70 years. And yet we know a lot of employers don't want to give people full-time jobs. They only give them part-time jobs, so they don't have to pay for benefits.

So when someone is laid off or loses that part-time job, under our existing system, even though it was all they could get, they're not eligible for unemployment insurance help.

So I'm hoping that we can do a better job, by looking at our unemployment system and bringing it into the modern age.

I think we also have to have a modern attitude toward unions. You know, we know that unionized workers make 30 percent more than workers who aren't in unions. But today, just 7 percent of our workforce in the private sector is unionized.

CLINTON: We need to give workers more of the benefits that come with union membership. Let's pass the Employee Free Choice Act to make sure that unions can organize for fair wages and safe working conditions. Let's appoint people to the Department of Labor who are truly pro-labor.

That would be an unusual idea, don't you think?

(APPLAUSE)

Unions played a critical role in building the middle class. And I don't think it's a coincidence that as union membership has dropped, middle-class incomes have stagnated.

So this is not an either/or choice. We can have both.

Some people say, "Well, if you have more unionization that will make America uncompetitive." But there are other countries in the global economy that pay wages equal to or higher than ours, and many jobs that are important to the economy in those countries demand a really good living wage for a middle-class family.

Their lower-paid workers are paid more than our lower-paid workers. But their higher-paid workers are paid less. So there's less of a gap between our lower-paid workers and our

highest-paid workers, which means that there's more money for those wage increases in the middle.

That's what worked for America until relatively recently. And that's what we have to persuade people is good for America again.

Eighth, let's ensure everyone has the most fundamental benefit there is: quality, affordable health care. Now, we know that this is going to be challenging. But if we could spend more than \$500 billion to fund the war in Iraq, we can surely make the basic investments to ensure that every American can see a doctor when he or she needs to.

(APPLAUSE)

Ninth and finally, let's make the investments we need to create the millions of good jobs necessary to lift up all of our families. To preserve and expand the middle class in an open, global economy, we have to have a source of good new jobs every five to eight years. Telecom did that during the '90s.

In this decade, that means an all-out commitment to a clean, independent energy future. Now, I'll be talking a lot more about investing in alternative energy and energy efficiency. Because we know that alternative energy isn't just good for our national security -- and we know that it's imperative for our environment and to tackle global warming -- but it is also good for our economy.

CLINTON: By working to break our addiction to foreign oil and investing in clean-energy technology, we can create good new jobs right here in America.

When I was in up in Berlin, they were hoping that we could take those old paper and pulp mills and turn them into energy creators by using wood. So instead of using wood for the purposes that it's been harvested in New Hampshire for hundreds of years, you would use it for creating energy.

Well, these are the kinds of new jobs that we need to be looking for across our country.

I also believe we have to invest in 21st-century infrastructure to compete. Let's set a goal of putting high-speed Internet access through broadband or wireless within the reach of every single American so that people throughout this state and every other one will be able to participate in the global economy.

In New York, as a senator, I've done a lot of work trying to work with chambers of commerce and others to create zones for access to high-speed Internet, because it was difficult to attract jobs to the Adirondacks or to other areas of rural New York without having that.

We haven't had much help from the federal government, but I've been introducing legislation every since I arrived in the Senate to do just that.

Just as we had a railroad system that connected our country, an electrification system, an interstate highway system, an airport system, we have to have a broadband system.

And, unfortunately, other countries are gaining on us and surpassing us, and that gives them economic advantages.

I also am not giving up on manufacturing.

CLINTON: I believe we can still have a vibrant manufacturing base, with the right policies. It provides an immediate laboratory for innovation and a challenging feedback loop for engineers, designers and dreamers. It's an invaluable training ground for a new generation of entrepreneurs and leaders.

That's why I helped to start the Senate Manufacturing Caucus, where I've worked to develop a manufacturing strategy that will be suitable with the challenges of the 21st century.

I also founded a group called New Jobs for New York, a unique non-profit that harnesses the ingenuity, entrepreneurship and hard work of New Yorkers. And I want to do that across our country.

You know, we've been able to show companies in New York they didn't need to leave our country in order to get qualified people to do the work.

We also commissioned a study which proved the cost of moving jobs to other countries is a lot greater than people actually understand or realize.

So there's a lot we can do to give us a source of new jobs and to have an innovation agenda that will make us competitive going forward. We can't do it if we just accept the Republican policies or if we just believe America's best days are over.

You know, a lot of people around the world are writing America off. They do believe our best days are behind us. I could not disagree more.

I believe America can rebound from these last six years.

I believe we can restore fairness and ensure that all share in our prosperity.

I believe we can reduce the deficit and restore fiscal responsibility and give people the education and opportunities they need to fulfill their God-given potentials.

I'm running for president because I believe if we set big goals and we work together to achieve them, we can restore the American dream today and for the next generation.

The core ideals of a 21st-century progressivism are simple. The foundation of a strong economy is the investments we make in each other: in education, health care, clean energy and new technologies. Greatness comes from policies that promote prosperity and ensure we all share in it.

Now, living up to these ideals and changing the political makeup will not be easy. But I'm absolutely confident we can do it.

And I would just close by thinking of that Granite Stater Daniel Webster. He said it years ago when he urged us to "develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we also, in our day and generation, may not perform something worthy to be remembered."

I'm confident we have the discipline, the determination and the drive that we will not be the first generation in American history to leave our country worse off than when we found it.

But we will continue, as every generation has before, to create much that is worthy to be remembered. We will restore fairness and responsibility to our economy, rebuild our middle class and rise to the challenges of this new global century.

Thank you all very much.

(APPLAUSE)

END

DEMOCRATIC PRESIDENTIAL CANDIDATES PARTICIPATE IN A DEBATE SPONSORED BY CNN, 6/3/2007

SPRADLING: Senator Obama, you get the first question of the night.

It has been nearly six years since 9/11. Since that time, we have not suffered any terrorist attacks on U.S. soil. Just yesterday, the FBI arrested three men for a terror plot at JFK Airport.

Could it be that the Bush administration's effort to thwart terror at home has been a success?

OBAMA: No. Look, all of us are glad that we haven't had a terrorist attack since 9/11, and I think there's some things that the Bush administration has done well.

But the fact of the matter is that we live in a more dangerous world, not a less dangerous world, partly as a consequence of this president's actions.

Primarily because of this war in Iraq, a war that I think should have never been authorized or waged, what we've seen is a distraction from the battle to deal with Al Qaida in Afghanistan. We have created an entire new recruitment network in Iraq that we're seeing them send folks to Lebanon and Jordan and other areas of the region.

And so one of the things that I think is critical as the next president is to make absolutely certain that we not only phase out the war in Iraq, but we also focus on the critical battle that we have in Afghanistan and rout out Al Qaida.

OBAMA: If we do not do that, then we're going to potentially see another attack here in the United States.

BLITZER: Does the Bush administration, Senator, deserve any credit for the fact there has been no terrorist attack here in the United States for nearly six years?

OBAMA: You know, I think there are some things they've done well. I think they've cracked down on some of the financial networks. I think that is important.

They have, unfortunately, not strengthened our alliances with other countries. And one of the most important things that we're going to have to do to be successful in routing out these networks is to make sure that we have the cooperation of other nations.

That is not something that we've done. And the effort in Iraq has greatly weakened our efforts there.

BLITZER: Senator Edwards, let me let you clarify what you said the other day. You said the war on terror is a bumper sticker, not a plan.

With the news yesterday, this alleged plot at JFK which could have done, supposedly, horrendous damage and caused an incredible number of casualties, do you believe the U.S. is not at war with terrorists?

EDWARDS: I reject this bumper sticker, Wolf. And that's exactly what it is. It's a bumper sticker.

As president of the United States, I will do absolutely everything to find terrorists where they are, to stop them before they can do harm to us, before they can do harm to America or to its allies.

Every tool available -- military alliances, intelligence -- I will use.

But what this global war on terror bumper sticker -- political slogan, that's all it is, all it's ever been -- was intended to do was for George Bush to use it to justify everything he does: the ongoing war in Iraq, Guantanamo, Abu Ghraib, spying on Americans, torture.

None of those things are OK. They are not the United States of America.

BLITZER: All right.

Senator Clinton, do you agree with Senator Edwards that this war on terror is nothing more than a bumper sticker; at least the way it's been described?

CLINTON: No, I do not. I am a senator from New York. I have lived with the aftermath of 9/11, and I have seen firsthand the terrible damage that can be inflicted on our country by a small band of terrorists who are intent upon foisting their way of life and using suicide bombers and suicidal people to carry out their agenda.

And I believe we are safer than we were. We are not yet safe enough. And I have proposed over the last year a number of policies that I think we should following.

BLITZER: Congressman Kucinich, you voted against the Patriot Act when it was first introduced. You've since voted again against it. But some would say yesterday's plot that was described by the FBI underscores the need for precisely that kind of tough measure to deal with potential terrorists out there.

KUCINICH: Benjamin Franklin once said that those who would give up their essential liberties to achieve a sense of security deserve neither.

KUCINICH: The Patriot Act has undermined civil rights in this country. And as president of the United States, one of my first acts in office will be to move forward to have the Justice Department overturn the Patriot Act as unconstitutional.

We have to remember that 9/11 led us down a cul de sac. Americans need to reconnect with our deepest sense of self here, Wolf. We have to remember that, you know, the courage that it took to form this country is still within us.

And I want to have what I call the 9/10 forum to recreate -- help us reconnect with the deeper sense of who we are as Americans.

BLITZER: We've got to move on to the next question. I want to go back to Scott.

Go ahead, Scott.

SPRADLING: Thanks, Wolf.

Senator Biden...

BIDEN: Yes, sir.

SPRADLING: Question for you on Iraq: You are the only person standing on this stage tonight to recently vote to continue funding the troops in Iraq.

My question is this. Why were Senators Obama, Clinton, Dodd, and Congressman Kucinich wrong to vote against the funding?

BIDEN: I'm not going to make a judgment on why they were wrong. I'll tell you why I was right.

No one has fought harder to change this president's policy.

Matter of fact, the very language that was vetoed in the bill was language that I, along with Senator Levin, put in, and I've suggested over a year ago in a proposal I laid forward. That is to start to draw down troops immediately, have them all out by '08.

But, you know, the fact of the matter is: It's about time. We've not been told the truth about this war from the beginning by this president. And the fact is, we got to tell the truth now.

The truth now is, there are 160,000 forces in Iraq. They're in harm's way. Seventy percent of all the injuries are caused by land -- those IEDs.

We know that if we put in these mine-resistant vehicles, the V- shaped-hull vehicles, put them in now, we could save two-third of the lives and two-thirds of the injuries.

BIDEN: My colleagues joined me when I proposed fast-forwarding the funding for that so we could get 2,500 of them into the field by August. If we had voted no and stopped this, it would have delayed that. Lives are at stake.

And I knew the right political vote, but I tell you what: Some things are worth losing elections over.

BLITZER: Senator Biden, why are you reluctant to say now: They were wrong, and you were right?

BIDEN: Because I don't want to judge them. I mean, these are my friends. We have worked together. We've worked hard to try and end this war. We have people telling everybody: Just stop the war, Congress. We have 50 votes. We're busting our neck every single day. So I respect it.

But look, I cannot -- as long as there is a single troop in Iraq that I know if I take action by funding them, I increase the prospect they will live or not be injured -- I cannot and will not vote no to fund them.

BLITZER: Senator Clinton, you voted in favor of every funding for the U.S. troops since the start of the war until now. And some are accusing you and some others of playing politics with the lives of the troops.

What is your response?

CLINTON: Well, I have the deepest respect for my friend, Senator Biden, and he and I have agreed on much of what we have attempted to do.

Unfortunately, we don't have a president who is willing to change course. And I think it was time to say enough is enough.

I thought the best way to support our troops was to try to send a very strong message that they should begin to come home. That is the best way to support them. And I thought that vote was an opportunity to do so.

Everybody on this stage, we are all united, Wolf. We all believe that we need to try to end this war. In two nights you're going to have the Republican candidates here. They all support the war. They all support the president. They all supported the escalation. Each of us is trying in our own way to bring the war to an end.

BLITZER: Senator Obama, you did the same thing. Since you came into the Senate, you voted for the funding for the troops for this war until now.

What's your answer?

OBAMA: Wolf, look, everybody supports the troops. And everybody knows that.

To some degree, this was a vote that had to do with how we feel about a continuation of a plan that has not worked.

The president has now announced -- just the other day, he said that this was like Korea. Keep in mind, we've been there six decades in the Korean Peninsula.

And the best way for us to support the troops is to ensure that we are not continuing to try to impose a military solution on what is essentially a political problem in Iraq.

And that's why I put forward a bill that would begin a phased redeployment and have all our troops out by March 31st of next year.

BLITZER: I'm going to come to Governor Richardson in a moment.

But, Senator Edwards, where, if at all, do you disagree with any of your Democratic colleagues -- Democratic candidates -- on this issue of the troops, the funding of the war, how to get out?

EDWARDS: Well, I think it's the difference between leading and following.

I think Hillary's right. All of us do want to end this war. But I have made very clear from the outset that the way to end the war is for the Congress to use its constitutional authority to fund. They should send a bill to the president with a timetable for withdrawal, which they did.

The president vetoed. And then it came back. And then it was the moment of truth.

And I said throughout the lead-up to this vote that I was against a funding bill that did not have a timetable for withdrawal, that it was critical for the Congress to stand firm. They were given a mandate by the American people.

And others on this stage -- Chris Dodd spoke out very loudly and clearly. But I want to finish this -- others did not. Others were quiet. They went quietly to the floor of the Senate, cast the right vote. But there is a difference between leadership and legislating.

BLITZER: You want to name names?

EDWARDS: No, I think it's obvious who I'm talking about.

BLITZER: It is to me, but it might not be to some of the viewers out there.

EDWARDS: Senator Clinton and Senator Obama did not say anything about how they were going to vote until they appeared on the floor of the Senate and voted. They were among the last people to vote. And I think that the importance of this is -- they cast the right vote, and I applaud them for that. But the importance of this is, they're asking to be president of the United States.

And there is a difference between making clear, speaking to your followers, speaking to the American people about what you believe needs to be done. And I think all of us have a responsibility to lead on these issues, not just on Iraq, but on health care, on energy, on all the other issues.

BLITZER: I'm going to give both of them a chance to respond to you.

Senator Obama?

OBAMA: Well, look, the -- I think it is important to lead. And I think John -- the fact is is that I opposed this war from the start. So you're about four and a half years late on leadership on this issue. And, you know, I think it's important not to play politics on something that is as critical and as difficult as this.

Now, the fact of the matter is, Joe has a legitimate perspective.

OBAMA: It is not easy to vote for cutting off funding, because the fact is there are troops on the ground. And I'll let Hillary speak for herself, but the fact of the matter is that all of us exercised our best judgment, just as we exercised our best judgment to authorize or not authorize this war. And I think it's important for us to be clear about that.

BLITZER: All right.

Senator Clinton?

CLINTON: And I think it's important particularly to point out: This is George Bush's war. He is responsible for this war. He started the war. He mismanaged the war. He escalated the war. And he refuses to end the war.

And what we are trying to do, whether it's by speaking out from the outside or working and casting votes that actually make a difference from the inside, we are trying to end the war.

And each of us has made that very clear. We have different approaches. I have a three-step plan to bring the troops home starting now, put pressure on the Iraqi government to take responsibility and cut off aid when they won't, and engage in intensive diplomacy, regionally and internationally.

BLITZER: All right.

CLINTON: The differences among us are minor. The differences between us and the Republicans are major. And I don't want anybody in America to be confused.

BLITZER: Let me let Senator Edwards respond. Are the differences minor between you and these Democratic candidates?

EDWARDS: There are differences between us. And I think Democratic voters deserve to know the differences between us.

I think there is a difference between making very clear, when the crucial moment comes, on Congress ending this war, what your position is, and standing quiet. That's all I'm saying.

BLITZER: All right.

EDWARDS: They eventually voted the right way. I respect them for voting the right way. But there are important differences between us on this. And the voters are entitled to know that.

BLITZER: All right. Senator Dodd -- he voted against the funding as well.

Senator?

DODD: Well, first of all, let me thank John Edwards for the nice compliment. I appreciate that...

(LAUGHTER)

... in the midst of all this.

Wolf, the first responsibility, and the first priority of an American president is to keep our country safe and secure.

DODD: This policy in Iraq has failed. It is a civil war. Everyone who has looked at this issue has drawn the conclusion that there is no military solution to it.

It seems to me then it's incumbent upon us -- given the fact that we are less safe, less secure, more vulnerable, weaker today, not stronger as a result of this policy -- that we ought to try to bring it to a close.

So I thought the right thing to do was to pursue and push this issue of having a date certain or it tied to funding. It's very, very important, so that we have the ability to move beyond this.

This war has caused many casualties, not the least of which are our troops, obviously, but also the foreign policy. Your first question on terror has been directly affected because of this policy in Iraq.

BLITZER: Governor Richardson, I want Governor Richardson to weigh in because I know you have been very concerned about what is happening with the genocide in Darfur.

What if some of the critics, some of the supporters of this war, are right, and a unilateral, quick U.S. withdrawal from Iraq -- and you want troops out by the end of this year -- does lead not only to an increased civil war, but to genocide in Iraq?

BLITZER: What moral responsibility does the United States have to deal with that scenario?

RICHARDSON: I've spent a lot of time in this region. I was U.N. ambassador. Eighty percent of my time was spent on the Iraq issue. I've talked to the leaders there.

And there is a fundamental difference between my position and the position of my good friends here. I believe that it's a civil war. I believe that there is sectarian conflict already. There is enormous turmoil.

Seven Americans died today.

This is what I would do. I would have a resolution under Article I to deauthorize the war, to move forward with a timetable, the end of this calendar year...

BLITZER: But what about genocide? What about the possibility of genocide?

RICHARDSON: ... no residual -- no residual forces.

I think there has to be pointed out a difference in our approach. Obviously, genocide is something in Darfur. You know, I have been involved in that issue.

RICHARDSON: I believe what we need to do there is stop this genocide. Why don't we care about Africa?

BLITZER: What about Iraq, if it were, God forbid, to happen?

RICHARDSON: Well, obviously, I would keep troops in Kuwait, where they are wanted. I would move them to Afghanistan to fight Al Qaida.

But I believe that our troops have become a target. Our troops right now have done a magnificent job.

And so what -- the difference between all of us here is this: All of these resolutions, the funding -- supplemental appropriation on funding, on issues relating to timetables is not working because the president is vetoing.

BLITZER: All right...

RICHARDSON: Let me finish.

BLITZER: Hold on one second. We're going to get back to this. We're going to get back to this. I want to let Senator Gravel -- he hasn't had a chance to speak yet.

Senator Gravel, I know you've been outspoken on all of these issues. Where, very briefly, do you disagree with these other Democratic candidates?

GRAVEL: Totally. Totally. It's just that simple.

Four of these people here will say that it's George Bush's war. It was facilitated by the Democrats.

GRAVEL: They brought the resolution up. One of them authored, co-authored it here, standing here.

And so it's -- sure, it's George Bush's war. But it's the Democrats' war also.

Now that you want to end it, you're concerned about what's going to happen after we withdraw. Remember Vietnam. All the dominoes are going to fall. Southeast Asia's going to go -- is going to go Communist.

Well, how do we know what will happen? I do know this, that the insurgency is successful because the population sustains that insurgency, period.

BLITZER: All right.

Let's go to the next question from Tom.

Go ahead, Tom.

FAHEY: Yes, thank you.

Congressman Kucinich...

CLINTON: It's hard to hear you.

FAHEY: OK.

I'll yell. I don't think the mike is working.

BLITZER: Go ahead.

FAHEY: The New Hampshire Union Leader asked readers to e-mail questions for the candidates...

KUCINICH: I can't...

BLITZER: I don't know if we're having trouble with his mike.

I'll read you his question.

KUCINICH: Yeah, go ahead.

BLITZER: The Union Leader, the main newspaper here in New Hampshire, asked readers to e-mail their questions.

Here's one from Michael Pelletier (ph), a major in the New Hampshire National Guard: "Can you tell me if the mission we accomplished during our deployment in Iraq was worth our effort and sacrifice, or was it a waste of time and resources?"

KUCINICH: I honor the people who served. We all owe them a debt of gratitude. But those who sent those soldiers were wrong. They should have never been sent there in the first place, Wolf.

This war has been based on lies. And we could have a productive evening here right now if all of my colleagues on this stage or in the Congress would commit to telling the Democratic leadership not even to offer a funding bill, because that's really the way to end the war, Wolf.

Just say, no money. The war is over. You want to end it? Bring them home. Stop the funding. And this is where Senator Clinton says, well, this is George Bush's war.

Oh, no. There's a teachable moment here.

KUCINICH: And the teachable moment is that this war belongs to the Democratic Party because the Democrats were put in charge by the people in the last election with the thought that they were going to end the war.

Well, they haven't. They have to stop the funding. And I certainly am urging all of my colleagues here, don't give him any more money. The money's in the pipeline right now, enough to bring the troops home. Let's end the war and let's make this a productive evening.

BLITZER: Senator Biden?

BIDEN: Wolf, look, the Republicans and this president have not told us the truth about this war from the beginning. The last thing we Democrats should do is not be telling the truth.

We have 50 votes in the United States Senate. We have less of a majority in the House than any time other than the last eight years.

Ladies and gentlemen, you're going to end this war when you elect a Democratic president. You need 67 votes to end this war.

I love these guys who tell you they're going to stop the war. Let me tell you straight up the truth. The truth of the matter is, the only one that's emboldened the enemy has been George Bush by his policies, not us funding the war.

BIDEN: We're funding the safety of those troops there until we can get 67 votes...

BLITZER: All right. Hold on, hold on. I want to bring Senator Clinton in.

Senator Clinton, do you regret voting the authorize the president to use force against Saddam Hussein in Iraq without actually reading the national intelligence estimate, the classified document laying out the best U.S. intelligence at that time?

CLINTON: Wolf, I was thoroughly briefed. I knew all the arguments. I knew all of what the Defense Department, the CIA, the State Department were all saying. And I sought dissenting opinions, as well as talking to people in previous administrations and outside experts.

You know, that was a sincere vote based on my assessment that sending inspectors back into Iraq to determine once and for all whether Saddam Hussein had weapons of mass destruction and using coercive diplomacy was not an unreasonable act.

What I did not count on, and what none of us did who voted to give the president authority, is that he had no intention to allow the inspectors to finish their job.

CLINTON: Now, we can argue about the past, or we can answer the question you asked about the National Guard. Our troops did the job they were asked to do. They got rid of Saddam Hussein. They conducted the search for weapons of mass destruction. They gave the Iraqi people a chance for elections and to have a government. It is the Iraqis who have failed to take advantage of that opportunity.

BLITZER: So let me just be precise, because the question was: Do you regret not reading the national intelligence estimate?

CLINTON: I feel like I was totally briefed. I knew all of the arguments that were being made by everyone from all directions. National intelligence estimates have a consensus position and then they have argumentation as to those people who don't agree with it. I thought the best way to find out who was right in the intelligence community was to send in the inspectors.

If George Bush had allowed the inspectors to finish the job they started, we would have known that Saddam Hussein did not have WMD and we would not have gone and invaded Iraq.

BLITZER: Senator Edwards, you didn't read that national intelligence estimate either. Do you regret that?

EDWARDS: No, actually, I think that I would agree with some of what Hillary just said. I think it's true that I was on the Intelligence Committee -- and I don't think Senator Clinton was, but

I was on the Intelligence Committee. I received direct information from that. I met with former high-level people in the Clinton administration who gave me additional information. And I read the summary of the NIE.

I think I had the information I needed. I don't think that was the question.

I think one difference we do have is I think I was wrong. I should never have voted for this war.

And this goes to the issue that Senator Obama raised a few minutes ago. He deserves credit for being against this war from the beginning. He was right. I was wrong.

(APPLAUSE)

And I think it is important for anybody who seeks to be the next president of the United States, given the dishonesty that we've been faced with over the last several years, to be honest to the country.

EDWARDS: We have to re-establish trust between the American people and the president.

BLITZER: All right.

EDWARDS: And that's going to require any of us who want to be president to be open and honest with the American people.

BLITZER: Senator Obama, you didn't think the war was the right thing to do, even though you weren't in the U.S. Senate. You didn't have access to any intelligence information at the time.

Do you think someone who authorized the use of force to go to war in Iraq should be president of the United States?

OBAMA: I don't think it's a disqualifier. I think that people were making their best judgments at the time.

I will say on the National Intelligence Estimate that Chairman Graham -- Bob Graham of Florida, who at the time was the head of the Intelligence Committee -- cited that specifically as one of the reasons that he voted against it.

So obviously there was some pertinent information there.

I appreciate John's compliment.

When I looked at the issue, what I saw was a weak case on the part of this administration, the sort of fear-mongering that I think, John, you've referred on this stage tonight.

OBAMA: And the critical thing for us moving forward is to recognize that we are not going to be able to continue to throw our troops at a civil war and be able to succeed.

And I just have to go back to what I said earlier. This is an enormous distraction from the battle that does have to be waged in Afghanistan in rooting out Al Qaida. That is something

that we have failed to do. We have the opportunity to be successful there. But we have to finish the job.

BLITZER: Senator Gravel, do you think someone who voted to authorize the president to go to war should be president of the United States?

GRAVEL: Not at all, because it's a moral criteria.

And there's information coming out -- Senator Durbin, Mr. Shrum, in his book -- that really points out that these people knew that there was two sets of intelligence going on at the same time. And they made a political decision to vote the way they voted, a political decision that cost -- stop and think. We have killed more Americans than was done on the 11th of September.

BLITZER: When you...

GRAVEL: More Americans died because of their decision. That disqualifies them for president. It doesn't mean they're bad people. It just means that they don't have moral judgment. And that's very important when you become president.

BLITZER: All right.

Senator Clinton, you want to respond?

CLINTON: Well, I have said repeatedly that if I had known then what I know now, I never would have voted to give the president authority.

And in the last debate, I said that, you know, it was a mistake to trust George Bush that he would do what he told all of us he would do.

He made it in speeches, he told us in private that he would put the inspectors in to determine whether or not the International Atomic Energy Agency, the Clinton administration, many other countries who thought that there were stores of chemical and biological weapons were true or not.

Now, I do not think that that is a necessarily wrong judgment at the time.

What was wrong is the way this president misused the authority...

BLITZER: All right.

CLINTON: ... that some of us here gave him.

CLINTON: And that has been a tragedy.

BLITZER: We have to move on to the next question. I want to go back to Tom.

Tom, hopefully you're microphone is working.

FAHEY: Yes, I'm hoping, too.

Governor Richardson, a question on immigration. Despite your doubts about the immigration bill that's now pending in the U.S. Senate, you support granting legal status to about 12 million people who have entered this country illegally.

Why is this not an amnesty program?

BLITZER: All right. I don't know if all the candidates could hear your microphone, so I'm going to re-read his question to make sure all of you heard it.

The question is directed to Governor Richardson.

Governor Richardson, despite your doubts about the immigration bill pending in the Senate, you support granting legal status to roughly 12 million people who entered the United States illegally.

Why is this not an amnesty program?

RICHARDSON: I'm a border governor.

RICHARDSON: Two years ago, I declared a border emergency because of the tremendous flow of drugs and illegal workers coming into my state.

I deal with this issue every day.

Here's my position: I would not support legislation that divided families; I would not support legislation that builds a wall, a Berlin-type wall, between two countries the way the bill in the Congress exists today.

Now, what are the essential components of any good, sensible immigration bill?

One, increases border patrols; double the size of border patrols and technology. That makes sense. Don't reduce the National Guard that's there.

Secondly, an earned legalization program -- yes, I support that -- one that is based on learning English, paying back taxes, passing a background check, getting behind those that are trying to get here legally, obeying laws, embracing American values.

RICHARDSON: And then, lastly, finding ways that we penalize employers that knowingly hire illegal workers. That is essential in an immigration bill.

BLITZER: Let me get back to the question. Almost all of these 12 million illegal immigrants who are here would qualify for this new Z visa, which would make them legal residents of the United States. So here is the question: Why isn't this amnesty?

RICHARDSON: It isn't an amnesty...

BLITZER: Why?

RICHARDSON: ...because what this bill does is it sets standards, the standards that I mentioned: learning English, passing background checks. There is a touch-back provision. The head-of-household has to go back and then apply. I believe that is unworkable, too. It

divides families. But you don't immediately get an amnesty. You don't immediately get citizenship. It is a process that takes about 13 years.

Now, I commend the Congress for facing up to having a legalization plan, but I will not support a bill -- our immigration laws in this country always bring families together. together.

RICHARDSON: This separates families.

BLITZER: All right.

RICHARDSON: There's also a provision -- this is important -- that involves -- that involves guest workers. They should have labor protections.

BLITZER: All right.

RICHARDSON: We don't want to create a permanent underclass in those workers.

BLITZER: Senator Biden, let me let you weigh in. You voted last year to support this immigration legislation, including the construction of an approximately 700-mile fence along the border between the United States and Mexico.

Governor Richardson doesn't think there needs to be such a fence. Why is he wrong?

BIDEN: Well, he's not wrong. There doesn't need to be a 700- mile fence. But there does need -- look, we ought to start -- we all love this phrase: Start talking truth to power.

Fourteen million illegals: Now, you tell me how many buses, carloads, planes -- they're going to go out and round up all these people, spend hundreds of millions and billions of dollars to do it, with the whole world watching, while we send these folks back.

Rather than get a background check on all of them, take out the criminals, get them back, and provide for a means by which we allowed earned citizenship over the next decade or so.

BIDEN: Folks, being commander in chief requires you to occasionally be practical.

(LAUGHTER)

BLITZER: If you don't think there needs to be a fence, why did you vote for that legislation?

BIDEN: Well, that fence was -- the reason I voted for the fence was that was the only alternative that was there.

And I voted for the fence related to drugs. A fence will stop 20 kilos of cocaine coming through that fence. It will not stop someone climbing over it or around it.

And so -- but this bill has a much more reasonable provision in it. It has much -- a shorter fence. It does have the Border Patrol requirements. And it is designed not just to deal with illegals, it's designed with a serious drug trafficking problem we have.

BLITZER: Let me bring back Senator Obama.

You also voted for that legislation, including the construction of that fence. And some say, to be even-handed, if you want to build a fence along the border with Mexico, you should also build a fence along the border with Canada.

OBAMA: Well, we should certainly do a better job patrolling the borders in Canada. In fact, this recent case with the young lawyer who had tuberculosis being waved through by a border guard because he said he looked OK is a problem. And we've got to strengthen our border patrols on both sides.

But let's go back to the essential issue here. We are a country of immigrants. We're also a country of laws. And the question is, how do we balance that appropriately?

I am hopeful that we can solve this problem constructively. I think Joe is exactly right, that we want to have a situation in which those who are already here, are playing by the rules, are willing to pay a fine and go through a rigorous process, should have a pathway to legalization. And I think most Americans will support that if they have some sense that the border is also being secured.

What they don't want is a situation in which there is a pathway to legalization and you've got another several hundred thousands of folks coming in every year.

OBAMA: And that, I think...

BLITZER: All right.

OBAMA: ... is a sensible position we should be able to arrive at.

BLITZER: We're going to move on to the next question. But before we do, one related question. And I'm going to periodically ask you to raise your hand if you agree or you -- if you agree with the question. And I want you to raise your hand if you believe English should be the official language of the United States.

The only hand I see is Senator Gravel.

GRAVEL: Yeah. We speak English. That doesn't mean we can't encourage other languages. I speak French and English. People speak Spanish and English. But the official language of the United States of America is English.

OBAMA: Can I just make a point, though?

BLITZER: All right.

OBAMA: I have to say that that kind of question...

(APPLAUSE)

BLITZER: All right, hold on.

OBAMA: ... this is the kind of question that is designed precisely to divide us. You know, you're right. Everybody is going to learn to speak English if they live in this country. The issue is not whether or not future generations of immigrants are going to learn English. The question is: How can we come up with both a legal, sensible immigration policy?

OBAMA: And when we get distracted by those kinds of questions, I think we do a disservice to the American people.

(APPLAUSE)

BLITZER: All right. We're going to save our applause until the end, please.

Senator Clinton?

CLINTON: Wolf, let me add that we faced that in the Senate last year as to whether we would or would not vote for it.

The problem is that if it becomes official instead of recognized as national -- which indeed it is, it is our national language -- if it becomes official, that means in a place like New York City you can't print ballots in any other language. That means you can't have government pay for translators in hospitals so when somebody comes in with some sort of emergency there's nobody there to help translate what their problem is for the doctor.

So many of us -- I did, at least -- voted to say that English was our national language, but not the official language because of the legal consequences of that.

BLITZER: Senator Dodd, you know most of the polls show an overwhelming majority of the American public favors making English the official language of the United States.

DODD: Well, I think the points that were made by Barack Obama and Hillary are very, very important here. This is the kind of question that does divide us.

Just a related point here: We need to be encouraging more language training in our country. At the time of the 9/11 attacks here, we had advertisements running in national newspapers for anybody who could speak Arabic, here.

We have too few of our people in our country that can understand second languages. This is the 21st century. This is a global economy. We need to encourage more diversity in that.

BLITZER: All right...

DODD: Certainly, we have a national language here. I speak fluent Spanish, along with Bill Richardson.

BLITZER: All right...

DODD: I'm proud of the fact I speak two languages. But we ought to be encouraging more of that in the country and not talking about how we have one official language in our nation. That's not helping our country.

BLITZER: All right. We're going to go on to the next question because our time is obviously limited.

Scott, go ahead.

SPRADLING: Thanks, Wolf.

Senator Edwards, question for you, sir. I was struck by your conversation that you had a moment ago about dishonesty in politics, and wanting to make things clear.

SPRADLING: This is a health care question for you, and really focusing on price tags here.

Governor Richardson, for example, says that you can fund health care meaningfully without raising taxes. Senator Clinton has said that she's not prepared to say she will raise taxes to reform health care. Your plan does raise some taxes to fund your universal health care program.

So I am wondering: From your perspective, are they being honest about the true costs of universal health care in America?

EDWARDS: Let me say, first, I think it's a very healthy thing that we have Democrats coming out with health care plans. This country's health care system is completely dysfunctional. I am proud of the fact that I was the first person to come out with a specific, truly universal health care plan.

Senator Obama came out with a plan just a few days ago, which I don't believe is completely universal, but he deserves to be credited because he laid out what the cost is, and exactly how he was going to pay for it.

I do believe that -- and by the way, you didn't say this, but my plan costs \$90 billion to \$120 billion a year.

EDWARDS: I'd pay for it by getting rid of Bush's tax cuts for people who make over \$200,000 a year.

And I believe you cannot cover everybody in America, create a more efficient health care system, cover the cracks, you know, getting rid of things like pre-existing conditions and making sure that mental health is treated the same as physical health, I don't think you can do all those things for nothing. That's not the truth.

And I think people have been so sick of listening to politicians who come and say, "We're going to give you universal health care. We're going to change the way we use energy in America. We're going to strengthen the middle class, have middle class tax cuts, and, in the process, we're going to eliminate the federal deficit."

BLITZER: Thank you.

EDWARDS: That is not the truth. And we need to be honest with people about that.

BLITZER: Let me let Senator Obama weigh in, because you did release your plan, that Senator Edwards says is not really a universal health care plan because it isn't mandatory on everyone.

I wonder if you'd want to respond to that.

OBAMA: You just identified the basic disagreement with John and I.

By the way, I think John has a lot of good elements in his plan. And I think that as people release their plans, I think there's going to be a lot of overlap, which is a good thing.

But the main disagreement with John and I is John believes that we have to have mandatory insurance for everyone in order to have universal health care.

My belief is that most families want health care but they can't afford it. And so my emphasis is on driving down the costs, taking on the insurance companies, making sure that they are limited in the ability to extract profits and deny coverage; that we make sure the drug companies have to do what's right by their patients instead of simply hoarding their profits.

If we do those things, then I believe that we can drive down the costs for families. In fact, we've got very conservative, credible estimates that say we can save families that do have health insurance about a \$1,000 a year. And we can also make sure that we provide coverage for everybody else. And we do provide mandatory health care for children.

BLITZER: Senator Clinton, you've been involved in this issue -- as all of us remember -- for a long time.

What do you think of Senator Obama's plan?

CLINTON: Well, I'm thrilled that universal health care is back on the national agenda. You know, as we remember, back in '93 and '94 we tried to come forward with a plan. We weren't successful. I have the scars to show for that experience.

But I am convinced that now when the Democrats all are coming forward saying, "This has to be a national goal," we then can try to get the political will.

The most important thing is not the plan. Because there are only a few ways to do this. And we're all talking pretty much about the same things. From my perspective, we have to lower cost, improve quality and cover everybody.

What's important, and what I learned in the previous effort is you've got to have the political will -- a broad coalition of business and labor, doctors, nurses, hospitals -- everybody standing firm when the inevitable attacks come from the insurance companies and the pharmaceutical companies that don't want to change the system because they make so much money out of it.

BLITZER: Senator Clinton, you can do that without raising taxes?

CLINTON: Well, Wolf, here's the challenge. I have put forth approximately \$120 billion in savings from health care changes that can come; everything from electronic medical records to better management of chronic care. That is about in the ballpark of what all of us believe it will cost to cover everyone.

The challenge that I'm wrestling with is: How do we realize the savings? Now, I don't think there's any Democrat that is not going to let the Bush tax cuts on the wealthiest Americans expire. We're all going to do that. So that money will be available.

How, then, do we set forth the priorities that we want to address, including energy efficiency, dealing with global climate change and so much else?

BLITZER: All right. Governor Richardson, I want you to weigh in, and then I'll let Senator Dodd weigh in.

RICHARDSON: As governor of New Mexico, this is what we did.

RICHARDSON: We insured every child under 5. My wife Barbara, who sits here, led an effort in the state to increase immunizations.

We got rid of junk food in schools. We brought mandatory phys ed...

BLITZER: But can you do national health care...

RICHARDSON: Yes, yes, you can. Here's how we do it.

BLITZER: ... universal health care, without raising taxes?

RICHARDSON: Yes. This is how we do it.

Number one: My plan is mandatory. You do have everybody sharing -- the employer, the employee -- you have the state and the federal government.

Secondly, I believe that we can have a plan where, if you were satisfied with your health care plan, you can keep it. No new bureaucracies. But, in addition to that, you focus on prevention. You allow everybody to get the congressional plan that every member here has.

BLITZER: Thank you.

RICHARDSON: You bring Medicare 55 and over...

BLITZER: All right.

RICHARDSON: That's what you do.

BLITZER: Thank you, Governor.

I promised Senator Dodd he could weigh in as well.

DODD: Well, listen, this is a -- there's not a person in this audience or who's watching this program who wouldn't tell you that they've encountered the problems of the health care system in this country.

It is shameful. We rank 42nd in infant mortality in the United States worldwide. We rank 45th in life expectancy.

It is shameful that in the 21st century we have 47 million of our fellow citizens without health care coverage; 9 million children.

DODD: And the number's growing every single day.

Look, as we've said here, there's basic agreement about universality here, dealing with information technology, preventive care, chronic illnesses -- what's been missing in all of this is the ability to bring people together to get the job done.

BLITZER: All right...

DODD: That's what I've done for 26 years. That's what you need to be able to do...

BLITZER: I'm going to...

DODD: ... because no one party is going to write this whole thing. It's going to take cooperation to get it done.

BLITZER: I'm going to move onto the next question.

EDWARDS: Can I just say -- just 15 seconds on it?

BLITZER: I'll let Senator Edwards, and then, Congressman Kucinich -- I've got a specific question for Congressman Kucinich. But go ahead.

EDWARDS: OK. I'll be very quick. I think it is very important, though, to understand -- I think Senator Obama was very honest just now.

We have a threshold question about whether we're going to have truly universal care. The New Republic has estimated that his plan will leave about 15 million people uncovered. He says he will do something about that later.

I believe that unless we have a law requiring that every man, woman and child in America be covered, we're going to have millions of people who aren't covered.

EDWARDS: Secondly -- secondly -- all the savings that Senator Clinton just talked about are in my plan, and they're in Senator Obama's plan.

And both of us have recognized that it's going to cost significant money and we've talked about how we're going to pay for it.

BLITZER: Senator Obama?

OBAMA: Wolf, since John referred to me, I agree with him on the second point, which is, we've got these savings and we're still going to have to do a little bit more, partly because you've got to invest up front in, for example, information technology, so that rural hospitals that don't have computers are able to buy them -- and they're going to need some help.

But on this issue of mandatory versus nonmandatory (OFF-MIKE) going around trying to avoid buying health care coverage. And, in fact, if you look at auto insurance, in California, there's mandatory auto insurance -- 25 percent of the folks don't have it. The reason is because they can't afford it.

OBAMA: So John and I, we're not that different in this sense, that I am committed to starting the process. Everybody who wants it can buy it and it is affordable.

If we have some gaps remaining, we will work on that. You take it from the opposite direction, but you're still going to have some folks who aren't insured under your plan, John, because some of them will simply not be able to afford to buy the coverage that they were offered.

EDWARDS: Children cannot make that decision.

OBAMA: And that's why I've got mandatory...

EDWARDS: The decision he is talking about people making cannot be made by children, and that's why you have to require that they be covered.

OBAMA: John, I've got mandatory insurance for children for exactly that reason.

BLITZER: Hold on one second. I promised Congressman Kucinich...

KUCINICH: I reject this whole approach.

And the American people should know that with half the bankruptcies in the country connected to people not being able to pay their doctor bills or hospital bills, premiums, co-pays and deductibles are going so far through the roof, 46 million Americans with no health care, another 50 million underinsured, there is only one way to get health care coverage for all Americans. And that is to have a universal, single-payer, not-for-profit health care system, Medicare for all.

Wolf, I have written the bill. It is H.R. 676, with John Conyers, supported by 14,000 physicians.

KUCINICH: And you know what? What Senator Clinton, Senator Edwards, Senator Obama are talking about, they're talking about letting the insurance companies stay in charge. They're talking about continuing a for-profit health care system. And I think...

BLITZER: All right, hold on...

(APPLAUSE)

KUCINICH: ... we need a president who is ready to challenge that.

(APPLAUSE)

And I'm ready to challenge the insurance companies.

BLITZER: All right, let's go to the next question.

Tom?

FAHEY: Let's try this now.

(LAUGHTER)

This is my voice.

Senator Clinton, you've said that it's time to allow gays and lesbians to serve openly in the U.S. military and end the "don't ask/don't tell" policy that was implemented when your husband was president.

Was President Clinton's policy of "don't ask/don't tell" a mistake?

CLINTON: It was a transition policy and it was an effort to try to deal with the reality that -- probably since the very beginning of our nation we've had gays serving in our military with distinction and honor on behalf of our country, as we do today.

CLINTON: And yet I have watched how "don't ask/don't tell" has been implemented. And I've concluded that it is not the best way for us as a nation to proceed.

It has been in many instances implemented in a discriminatory manner. You know, after the first Gulf War there was a big flood of discharges of gays and lesbians because they let them serve and then after they finished the war, then they discharged them.

In this particular time period, we've had Arabic linguists discharged under "don't ask/don't tell" when we are unfortunately so short of having people who speak the very language that our men and women in uniform have to understand in the streets of Baghdad.

So I believe we could change the policy to let gays and lesbians serve in the military and be covered by the Uniform Code of Military Justice.

CLINTON: So just like those who are not gays and lesbians, if there were conduct problems, then the conduct problems we looked at. But people would not be judged on who they are.

BLITZER: All right.

CLINTON: And I just want to end by saying Barry Goldwater once said you don't have to be straight to shoot straight. And I think he was right.

(APPLAUSE)

CLINTON: And I believe we should open up our military.

BLITZER: Senator Clinton, the question was: Was your husband's decision to allow this "don't ask/don't tell" policy to go forward -- he was president of the United States; he could have changed it -- was it a mistake?

CLINTON: No, it was an important first step, Wolf. I mean, you know, there's a certain -- I want to go back to my friend Joe Biden...

BLITZER: All right.

CLINTON: Because he's been around longer than any of us have in the Congress.

(LAUGHTER)

CLINTON: And you know, talking -- he's a young man. He started young. But talking about this as though there is a reality out there that a president or a Congress can change with a snap of a finger does a grave disservice to the American people.

We have a political process. There are checks and balances. And Joe remembers very well, the Congress was adamantly opposed at the time to letting gays and lesbians serve openly.

CLINTON: "Don't ask/don't tell" was the compromise policy.

BLITZER: But you know, Senator Biden, there are still a lot of military commanders out there, including the current chairman of the Joint Chiefs of Staff, General Peter Pace, who say keep the current policy, "don't ask/don't tell," it would be demoralizing, it would be bad for

military readiness to change that policy and let gays and lesbians serve openly in the U.S. military.

BIDEN: Peter Pace is flat wrong. I've been to Afghanistan, I've been to Iraq seven times, I've been in the Balkans, I've been in these foxholes with these kids, literally in bunkers with them.

Let me tell you something: Nobody asked anybody else whether they're gay in those holes, those foxholes, number one.

Number two, our allies, the British, the French, all our major allies, gays openly serve.

I don't know the last time an American soldier said to a backup from a Brit, "Hey, by the way, let me check, are you gay, you straight?"

This is ridiculous.

And by the way, we got a war on our hands we're trying to end. In the meantime, we're breaking the military. Nine thousand of these people have been kicked out.

BLITZER: Senator?

BIDEN: This is not a rational policy.

BLITZER: Let me just do a show of hands. If you think it's time to get rid of the "don't ask/don't tell" policy in the U.S. military, raise you hands.

(APPLAUSE)

(CROSSTALK)

BLITZER: All of you agree on this.

Governor Richardson, go ahead.

RICHARDSON: I love all this parsing and senatorial courtesy and "on the one hand, on the other hand."

Here's what I would do. I would do what I did as governor of New Mexico. One, I would move in the Congress for a hate crimes law. I would have domestic partnerships. I would have civil unions. I would initiate laws that practice nondiscrimination on the basis of sexual orientation.

I would get rid of "don't ask/don't tell." I voted against it as a congressman.

A president has to show leadership. And this country should not be asking a person who is giving up their life for this country and the military should not...

BLITZER: Thank you, Governor.

RICHARDSON: ... should not giving lecture on sexual orientation.

BLITZER: Senator Edwards, I want you to weigh in on a related question. The governor of New Hampshire is here with us tonight. He just signed legislation into law in this state allowing civil unions.

BLITZER: There are...

(APPLAUSE)

All right. Let's try to keep the applause down.

The question is this: Is it time to move beyond that and let gays and lesbians get married?

EDWARDS: Well, first of all, I think what the governor did and what New Hampshire's done is a great example for the rest of the country. Not only civil unions, but all the partnership benefits, including, Senator Clinton talked about getting rid of this "don't ask/don't tell" policy.

I don't think the federal government has a role in telling either states or religious institutions, churches, what marriages they can bless and can't bless. I think the state of New Hampshire ought to be able to make that decision for itself, like every other state in the country. I think every church ought to be able to make that decision for itself.

And I think it's very important that we stand up against intolerance and against discrimination.

But I want to add one thing on something that Governor Richardson said, because it's been a tone of everything that's been discussed here today. The place that I differ with Senator Biden, Senator Clinton, and I guess, to some extent, Senator Obama, and I agree with Governor Richardson -- it is the job of the president of the United States not to legislate but to lead.

BLITZER: All right.

EDWARDS: And voters need to ask themselves who's most likely to end the war in Iraq; who's most likely to lead on health care...

BLITZER: All right...

EDWARDS: ... who's most likely to lead on immigration, which is what you just asked about.

BLITZER: All right. We've got to move on to the next question. Let me throw it back to Scott.

SPRADLING: Senator Gravel, if you are elected president, how if at all would you use former president Bill Clinton in your administration?

(LAUGHTER)

GRAVEL: How would I use him?

Well, I'd send him as a roving ambassador around the world. He'd be good. He could take his wife with him, who will still be in the Senate.

(LAUGHTER)

... and -- but, you know -- but I'd be careful with the president, former president, because I know he wimped out with respect to gays in the military.

I'd only wished that he had been like Harry Truman who stood up to Omar Bradley when he integrated the services, which made possible for Colin Powell to now stare down the president of the United States when the president should have demanded immediate integration.

GRAVEL: That's what can we do.

But under supervision, I think he'll do OK.

(APPLAUSE)

(LAUGHTER)

BLITZER: Governor Richardson, if you were president of the United States, the question is, what would you do with former President Bill Clinton?

(LAUGHTER)

RICHARDSON: Well, the ideal job for President Clinton would be secretary general of the United States. But that's probably not doable.

What I would do is -- President Clinton gave me, although I don't think he's very happy with me now -- President Clinton gave me two great jobs. He gave me ambassador to the United Nations, secretary of energy.

RICHARDSON: I believe he is needed in the Middle East. This administration has not had a Middle East peace envoy as other bipartisan administrations have had.

We have serious problems in the Middle East. Our great ally Israel, which I think needs buttressing, right now is less safe than it was when President Bush came in.

We need a constant Middle East peace process. President Clinton gave me two good jobs. I want to pay him back and make a Middle East peace envoy.

BLITZER: What about you, Senator Obama?

Arguably, Bill Clinton might be the most popular Democrat out there among Democrats. If you were elected president, what would you have him do?

OBAMA: Well, I think both answers reflect one of the former president's enormous strengths. And that was his capacity to build alliances and relationships around the world. And I have no doubt that Hillary played an enormous role in helping that happen.

But what we've seen over the last six years is the effort to replace bluster and belligerence and saber-rattling for solid diplomacy and strategy and foresight.

OBAMA: One of the things that we're going to have to do is to return to that recognition that we can't simply lead with our military. The strength of our military has to be matched with the power of our diplomacy, the strength of our alliances.

That's how we are going to deal with the crisis in the Middle East. That's how we're going to end a genocide in Darfur, and I think that President Clinton's vision of our interdependence globally is something, and obviously Senator Clinton may have something to say about how I use Bill Clinton, so in fairness she should be able to respond.

BLITZER: Let her tell us -- if you were president, Senator Clinton, what would your husband do?

CLINTON: This is a fascinating question.

CLINTON: They asked the Republicans, they asked the Democrats. And I think from -- respective (ph) of what you've already heard, I believe in using former presidents.

I think we should have everybody helping us to repair the damage of the last, by then, eight years. And when I...

(APPLAUSE)

CLINTON: ... when I become president, Bill Clinton, my dear husband, will be one of the people who will be sent around the world as a roving ambassador to make it very clear to the rest of the world that we're back to a policy of reaching out and working and trying to make friends and allies and stopping the alienation of the rest of the world.

There's not a problem we face, from global terrorism to global warming or HIV/AIDS or bird flu or tuberculosis...

BLITZER: All right.

CLINTON: ... where we don't need friends and allies.

BLITZER: Thank you.

CLINTON: And he would be a tremendous help in our country's effort to redo that again.

BLITZER: Thank you, Senator.

Let's go back to Scott for another question.

SPRADLING: Thanks, Wolf.

Senator Dodd, gas prices are at record high levels. Granite Staters are frustrated. Americans are frustrated. What would you do to reduce gas prices?

DODD: Well, this is a major crisis issue, obviously. Energy, related problems, obviously, problems with global warming, the dependency on the Middle East for so much of our energy supplies.

DODD: It's a national security issue. It's a health care issue.

The problems are profound here and require some very strong answers.

I also think this issue provides incredible opportunities for us to grapple with and deal with here, if we have the kind of strong leadership in the country. I believe we can make a

difference here on reducing our dependency on those sources of energy while simultaneously rolling back the problems of global warming -- of global warming.

Today we have the solar -- polar caps melting, we have greenhouse gases that are accumulating at record levels way beyond expectations.

We really have the dual responsibility here of reducing the polluting effects of depending upon fossil fuels and also allowing us to develop the alternative technologies that would allow us to move beyond this issue.

DODD: I've introduced a plan here that would require a by the year 2017 50 miles per gallon standard for our automobiles. I believe that can be done. We ought to do it immediately, in my view.

And a carbon tax, in my view, so that you make the polluting dependencies, the polluting fuels, more expensive and encourage them through the use of revenues collected, to move aggressively on developing the alternative technologies of solar and wind and other sources of energy we could use.

BLITZER: Thank you, Senator, but the question is: What would you do right now to reduce the price of gasoline?

DODD: Well, what we've offered already, in fact, and that is, of course, we ought to be saying here that when the price of a barrel of oil gets beyond \$40 a barrel, where there's plenty of profit here, that those dollars ought to be returned to the consumers in a rebate or plowed back into the research that would allow us to develop alternative technologies.

But the real way to get away from this here, our dependency on that kind of fuel is causing us serious problems across the board. So it isn't just a price of fuel issue here, it's also depending upon polluting technologies that are going to cost us so much.

BLITZER: Senator Gravel?

GRAVEL: Well, I join him on the carbon tax. And, of course, that will raise the price of gasoline; let's be candid about that. There's nothing I would do as president to lower the price of gasoline right now.

GRAVEL: We Americans have to grow up. If we want to get off of the dependency on the Middle East we have to own up to the problem. These things cost money. They're controlling our society.

And the sooner we stop fighting these wars -- here, stop and think: You only see \$3. Just watch those wheels turn. There's another \$4 -- which is what we spend to keep American troops around the world to keep the price.

So you're paying more than \$7 a gallon, you just don't know it.

BLITZER: Senator Edwards?

EDWARDS: The first thing we got to do is find out what's happening with these oil and gas companies. Because we know they're making record amounts of money. We know that the

same people that are refining the oil are selling it at the gas pump. So there's a huge vertical integration in this operation.

I think there ought to be an investigation of the oil and gas companies by the Justice Department. I think if the laws that presently exist don't deal with this problem and price manipulation, there should be some change in the anti-trust laws.

EDWARDS: I think we need states to enforce clean air laws against these refineries.

And then I guess last but not least in the short term -- Chris is exactly right about the things we need to be doing in the long term. But in the short term, can America finally stop spending \$3 billion a year of taxpayers' money subsidizing oil and gas companies that already make billions of dollars? That's what we ought to be doing.

BLITZER: Governor Richardson, you're a former secretary of energy.

Are the oil companies -- the big oil companies engaged in price-gouging of the American consumer?

RICHARDSON: Well, I was energy secretary and my state -- we call it the Clean Energy state. We have incentives for solar, wind, biomass, biofuels. We require renewable technologies, 20 percent of our electricity.

Here's my answer: What would help in the short term, give us -- the states -- the authority to engage in serious price-gouging investigation.

RICHARDSON: That doesn't happen. But this is not the answer. The answer...

BLITZER: Do you believe they are?

RICHARDSON: No, they're not.

The answer is this. We need an Apollo program, Apollo, led by a president, asking every American to sacrifice, to conserve, that would reduce our dependence on foreign oil, which is 65 percent imported, to 10.

I have the most aggressive plan, according to the League of Conservation Voters.

BLITZER: All right.

RICHARDSON: It would go to 80 percent, 80 percent reduction in greenhouse gas emissions.

BLITZER: Thank you...

RICHARDSON: ... by the year 2040. But it takes...

BLITZER: Hold on, Governor.

RICHARDSON: ... an effort by every American.

BLITZER: I'm going to let Senator Biden weigh in as well.

What would you do specifically, Senator Biden -- give it to us briefly -- to reduce, if you want to reduce, the price of gasoline in the United States?

BIDEN: Take away the subsidy which I've introduced legislation to do. It's about \$6 billion, \$2.7 directly to the oil companies, number one.

Number two, investigate, as president of the United States; use the Justice Department to go in and investigate this whole issue of price-gouging.

Number three, we have to do what we all said here, but, first and foremost, significantly raise the mileage automobiles get and mandate it.

BLITZER: All right. I want everybody to stand by, because we're only getting started. We're going to continue all of this, but we're ready to shift into part two of tonight's debate, where voters from New Hampshire here will start asking specific questions. We have some work to do on the stage while we move in some of the chairs, move out the podiums.

While we watch that unfolding, you will see it, viewers of WMUR are going to go back to their studios. The rest of you are going to go and see our colleague, Anderson Cooper, and the best political team on television, who are going to give us a sense of this debate so far.

Our debate will resume here in about three minutes. We'll be right back.

(COMMERCIAL BREAK)

VAUGHN: Jenny, what is your question for the candidates tonight?

QUESTION: My question is: What is your vision on ending major military operations and how do you plan on rebuilding the military after such many years of conflict?

BLITZER: All right. Let me throw that question to Congressman Kucinich, because he's been outspoken on a lot of these issues.

KUCINICH: Thank you very much, Wolf.

First of all, thank you and your family for serving.

This country has to end its occupation of Iraq. And as I mentioned earlier, the Congress, the Democratic Congress has a very serious responsibility in this regard. We should simply not provide any bill at all. It's one thing to say you don't have the votes. It's another thing not to even offer a bill and tell the president he has the money now that's in the pipeline to bring the troops home.

KUCINICH: Now, with respect to this war, this war has degraded our service ability, and we need to have certainly a strong army, but I believe that peace is the way we reflect our strength. So I want to see an American military that will be a strong peacekeeping force, not one that is being misused, like the one in this administration -- misuses our military.

And we need a commander in chief who wants to link peace with security and who wants to see America's role working with the world community in cooperation.

BLITZER: But her question was: Specifically, what would you do to rebuild the military, which seems to be pretty stretched right now? What -- do you have a plan?

KUCINICH: Well, the first thing we need to do is cut -- first of all, there's a couple different dimension to this. One is, we need to cut military spending over all by about 25 percent. There's a lot of waste here we're talking about.

Money hasn't been focused on the troops per se. This \$97 billion that went for this war isn't going to the troops. A small fraction goes to the troops.

So we need to have a strong military.

KUCINICH: We need to encourage people to be serving in our country's military, but we've got to end the United States' commitment to war as an instrument of diplomacy.

BLITZER: All right. I'm going to bring everybody in.

But, Senator Obama, you want to increase the size of the U.S. military by almost 100,000 troops. That's going to cost billions and billions of dollars.

What do you say to Congressman Kucinich, who says he wants to cut the size of the U.S. military?

OBAMA: Well, keep in mind that there's a difference between the Pentagon budget and the size of the military. So it may be that, for example, there are weapons systems that Dennis and I would agree are outmoded relics of the Cold War.

But what I want to make certain of is that our troops are not going on these repeated tours, lengthy tours, that we are providing them with all the support they need when they are on the ground, and we can't do that currently.

We also need -- and I want to make sure that this is emphasized -- that, when they come home, we are treating them with the dignity and honor that they deserve.

OBAMA: And that's something whether you were for the war or against the war, we can all agree to. And this administration has not done that because they tried to do it on the cheap.

Folks who have post-traumatic stress disorder, folks who have disability payments that are due are not getting the kinds of services they deserve. I have some specific plans to address that.

BLITZER: Senator Dodd, are there relics of the Cold War, big- ticket military items that you would cut?

DODD: Well, first of all, thank you for your service as well.

And, by the way, whatever other disagreements there are about policy, all of us here on this dais applaud immensely the work being done by our men and women in uniform. I think a round of applause for...

(APPLAUSE)

DODD: And that's the right issue, I think. We're not listening to our senior military people, by the way, who tried to engage in a transformation of our military needs here, recognizing that there are different threats we face today than we did during the Cold War.

DODD: And clearly, there needs to be a reassessment of what those priorities are, what those systems are so that we're strong enough.

We all need to say this, by the way. I think it's very, very important. No one's going to be elected president, ought to be president that's not going to have as their primary priority keeping us safe and secure. That is the principal responsibility of an American president.

BLITZER: All right.

DODD: But to do that, to do that you've also got to make sure that we're going to be prepared to use that force not as the first arrow we draw out of the quiver, but rather utilizing the other resources we have as a nation to advance our interests. That has not happened here under this administration. We need to get back to that as a nation.

BLITZER: But is there a specific military program...

DODD: Absolutely. Clearly, we've got systems here -- the F-22 we're looking at, for instance, other things that ought to be reassessed in terms of whether or not they fit into a 21st-century military needs of our nation.

BLITZER: Thank you, Senator.

Jennifer, back to you.

VAUGHN: OK, Wolf. Thank you very much.

Carol Kilminster (ph) is with us tonight.

Carol, you live in Merrimack, New Hampshire. You're a social worker. Your son is serving in Iraq.

QUESTION: That's correct.

VAUGHN: Can you tell us his name?

QUESTION: James.

VAUGHN: What is your question for the candidates tonight?

QUESTION: My question is: Why is it that veterans cannot receive medical services at the hospital of their choice?

VAUGHN: Senator Obama, let's have you answer this question. You serve on the Senate Committee on Veterans' Affairs.

OBAMA: Well, first of all, obviously, we thank James for his service.

And I know that here in New Hampshire, as I've been traveling around, there are some deficiencies in the V.A. We don't have a full service V.A. system here so a lot of troops that

have been injured are having to travel elsewhere. And that's something that I think we have to address.

There are important efficiencies that we can obtain by having a V.A. hospital system -- for example, prescription drugs.

We've talked about the price gouging that takes place in other systems, in the private health care system. The V.A. actually has done a very good job at negotiating prescription drug prices so that they're lower for V.A. veterans who are going through their system than they are if they were going through another hospital system.

OBAMA: Of course, part of that has to do with the fact that, with the Medicare prescription drug bill, for example, the Congress specifically exempted Medicare from being able to negotiate for the cheapest available price. And that was a profound mistake.

But just to make sure that you're clear, we have to a V.A. that serves everybody. And in some rural communities that don't have access to services that are -- the veterans don't have access to the services that are needed, we've got to make sure that they do have the option for a private hospital that is more -- that is closer by.

BLITZER: So what you're saying is they should be allowed -- veterans -- not just to have to go to Veteran's Affairs hospitals but to go to regular hospitals as well?

OBAMA: I think they should be able to go to -- they should be going to V.A. hospitals unless they have difficulty accessing...

BLITZER: All right.

OBAMA: ... and it places a hardship on the family. Then they should be exempt and be able to go to other hospitals.

BLITZER: Governor?

RICHARDSON: Well, I disagree. Under my health care plan, if you have served this country -- enlisted, a veteran -- I would give you under my health care plan, your husband, a hero's health card so that your husband could get health care anywhere they want, with any doctor, with any hospital.

(APPLAUSE)

Our system right now, our V.A. system, is good, but we have to offer our veterans that choice. Some have to go 150 miles, especially in rural areas.

I would also do something else in terms of veterans health care. What we have in our V.A. system is cost-of-living increases for other benefits, but not for V.A. health care. And today a lot of our vets coming back from Iraq and Afghanistan, PTSD, mental health. We cannot do enough to help them. And it's critically important that we have a well-funded V.A. system.

BLITZER: All right.

RICHARDSON: As president, I would make sure that the V.A. health system is funded and we say thanks to those that have served our country.

BLITZER: Thank you, Governor.

Senator Gravel, you served in the military during the Korean War. Have you had any experiences with the Veterans Affairs Department as a veteran yourself?

GRAVEL: I get my meds from the V.A., so I know the situation quite well.

BLITZER: Are you satisfied or unsatisfied?

GRAVEL: I'm satisfied, very much so. I think they do a good job. But I think it is really somewhat appalling because the government has always, always waged war against the veterans.

I would suggest that Senator Obama, who's on the committee -- did they do any oversight work to find out before they read in The Washington Post that there was a scandal up the street at Walter Reed? I mean, what about that? Did they all get informed of that, or did you know it before?

OBAMA: Actually, we have done a lot of oversight trying to consistently force this administration to put money into the system that it has refused.

(CROSSTALK)

OBAMA: Let me finish, Mike.

The first year that I was on the V.A., myself, Senator Patty Murray, Senator Rockefeller and others tried to tell the administration you need an additional \$2 billion in order to provide services to troops who were coming home.

The administration said, "No, you don't need it. We don't need it. Everything's covered."

Six months through, they had to come back and say, "You know what? It turns out we did need it after all."

And part of the reason is because they have been trying to keep the costs down of this war and have not fully factored in the sacred obligation that I think we have to make sure that every single veteran has the services that they need.

BLITZER: But the question he asked specifically was, did you know about the problems at Walter Reed...

OBAMA: No.

BLITZER: ... before you read about them in The Washington Post?

OBAMA: No, we didn't. And I visited Walter Reed repeatedly.

Typically, what would happen is we would go to visit troops in the medical facility.

OBAMA: And people will acknowledge that the medical facility at Walter Reed does great work. Unfortunately, what it turned out was the outpatient facilities were disastrous. And that's why we now have legislation moving forward to make sure not only that we're just

painting over some of the mold that was in there. But we're also making it easier for families and veterans to negotiate the system once they're outpatients.

BLITZER: All right.

Let's go back to Jennifer for another question.

VAUGHN: Wolf, thank you.

Hi, Polly (ph). You live in Hancock, New Hampshire. You're a retired legal secretary.

You have a question about Iran tonight. You lived there in the late '60s.

QUESTION: Yes. That's particularly the reason why I have the question about Iran.

I'd like to ask: How would you approach solving the problem we have Iran today? Would you use force or would you use diplomacy? And if you used diplomacy, what would you do?

BLITZER: All right, let's let Senator Clinton first respond to that.

CLINTON: Well, I am very concerned about Iran. And I believe that we should have been using diplomacy for a number of years now.

CLINTON: I am, I guess, pleased that the administration is starting to talk to the Iranians, but it is way overdue. We have allowed the Iranians to begin their nuclear program, to imprison Iranian Americans as they are now, to send weapons across their borders to be used against our young men and women.

And we need a process of engagement. You know, the president's policy has been, we don't talk in this administration to people we don't agree with or that we think are bad. All during the Cold War, we always talked to the Soviet Union.

They had missiles pointed at us. They had leaders who said they would bury us. They waged wars around the world. We never stopped talking.

In my administration, diplomacy, patient, careful diplomacy, the kind of diplomacy that Bill Richardson did for my husband, that really gets people to stay with it over time.

CLINTON: Are you always going to get good results? No. But you've got to start the process.

However, we still have to make it clear that Iran having a nuclear weapon is absolutely unacceptable. We have to try to prevent that at all costs.

(APPLAUSE)

But we need to start with diplomacy in order to see what we can accomplish.

BLITZER: So what happens, Senator, if diplomacy, when all is said and done, fails?

CLINTON: Wolf, I'm not going to get into hypotheticals, because we've had an administration that doesn't believe in diplomacy. You know, they have every so often Condi

Rice go around the world and show up some where and make a speech, and occasionally they even send Dick Cheney -- and that's hardly diplomatic in my view.

So from what I...

(LAUGHTER)

(APPLAUSE)

We won't know until we get a president who is committed to diplomacy and will do things like use the great diplomats that have come up through our country -- use former presidents, use people like Bill Richardson. Only then will we be able to make a clear assessment.

I just hope we have enough time. Because, unfortunately, we have many months to go before this administration is done.

BLITZER: Senator Edwards, how far would you go, if necessary, to stop Iran from building a nuclear bomb?

EDWARDS: Well, let me -- can I be more specific?

I think that, beyond just talking about diplomacy, if you lived in Iran, you know that the Iranian people actually rallied for America on the streets of Tehran, after September the 11th.

And there's a long history of pro-American sentiment in Iran. There is an extraordinary opportunity available to us on Iran. And there's a very clear path, from my perspective.

They have a president who's politically unpopular. The people are in a different place. He hasn't done what he promised to do, Ahmadinejad, when he was elected president.

We don't have economic leverage over the Iranians. But the Europeans do. The European banking system does. We should put two options on the table. One, carrots: we'll make the nuclear fuel available to you, the international community, but we'll control it; you can't nuclearize -- you can't weaponize it.

Second, we're going to put a clear set of economic incentives on the table.

EDWARDS: And the Iranian people need to hear this.

BLITZER: All right.

EDWARDS: It needs to be not behind closed doors.

Just 10 more seconds.

And then the alternative -- the stick -- is if they don't do that, there are going to be serious economic sanctions.

We need to drive a wedge between the Iranian people and this radical leader.

BLITZER: But you're saying only economic sanctions, not a military threat that should be on the table. Is that what you're saying?

EDWARDS: I think this is the clear path. I think no president -- no responsible president -- would ever take any option off the table.

BLITZER: What about that, Senator Biden? You're the chairman of the Foreign Relations Committee. If you got word from the U.S. intelligence community that Ahmadinejad and his government were on the verge of having a nuclear bomb capable of hitting targets in the region on missiles, what would you do?

BIDEN: Well, first of all, I would do away with the policy of regime change. What we're saying to everybody in Iran is: Look, by the way, give up the one thing that keeps us from attacking you and after that we're going to attack you, we're going to take you down.

It's a bizarre notion, number one.

BIDEN: Number two, understand how weak Iran is. They are not a year away or two years away. They are a decade away from being able to weaponize with exactly what the question was, if they put a nuclear weapon on top of a missile that can strike. They are far away from that.

Number three, in fact, we have to understand how weak that government is. They import almost all of their refined oil. By 2014, they are going to be importing their crude oil. There are much better ways if we had to get to the point of real sanctions of doing economic sanctions on them forcefully that way. But at the end of the day, if they posed a missile, stuck it on a pad, I'd take it out.

BLITZER: Senator, thank you for that.

Let's go back to Jennifer.

VAUGHN: OK, well, thank you.

Matthew Mazer (ph), how are you?

QUESTION: Fine, thank you.

VAUGHN: You're faculty here.

QUESTION: Yeah, I'm a professor of history.

VAUGHN: And you live in Concord, New Hampshire?

QUESTION: I do.

VAUGHN: What is your question tonight?

QUESTION: A number of the candidates have talked about alliance- building. I want to ask about a specific country. The U.S. has had close relations with Pakistan as part of the war in Afghanistan and part of the war on terror.

QUESTION: How do you reconcile our security interests with Pakistan with our interest in promoting liberal democracy? Pakistan is not a democratic country.

BLITZER: Let's ask -- let's throw that question to Senator Clinton.

CLINTON: Well, it's a really important question, because we have been supporting Pakistan through President Musharraf now for a number of years. And it is clear that he has not moved toward democracy, but has solidified his rule and become quite anti-democratic, with his removal of the chief justice and many of the other moves that he's taken.

At the same time, we depend upon him to try to control the tribal areas out of which come the resurgent Taliban and Al Qaida fighters who cross the border into Afghanistan.

Again, this is an area where I think the United States needs to be just focused, like the proverbial laser.

When I was in Pakistan and Afghanistan in January, I met with both President Karzai and President Musharraf.

CLINTON: And I asked them if it would help to have a high-level presidential envoy working with both of them to try to figure out how we can move toward what are American interests and how we can keep Pakistan from undermining the war against the Taliban and Al Qaida.

BLITZER: All right.

CLINTON: And unfortunately when I got back and I called the White House and I made this suggestion, it fell on deaf ears.

So there's a lot we need to do. And it's a very difficult, thorny problem how to address it.

BLITZER: Congressman Kucinich, if you were president of the United States and the intelligence community said to you, "We know where Osama bin Laden is. He's in Pakistan. We've got the specific target. But he's only going to be there for 20 minutes," you've got to give the order yes or no to take him out with a Hellfire missile, but it's going to kill some innocent civilians at the same time: What would be your decision?

KUCINICH: I don't think that a president of the United States who believes in peace and who wants to create peace in the world is going to be using assassination as a tool.

KUCINICH: Because when you do that, it comes back at your country. And I think that Osama bin Laden, if he's still alive, ought to be held to account in an international court of law. And so should any other person who's been involved in a violation of international law which has resulted in the deaths of many people.

And so, I think that an America which has a strong stand morally in the world is an America that shows a way to get to peace. And an America that stands for peace is a strong country. So I would say to answer that question, I don't believe in assassination politics, and when you do that, you inevitably bring the assassination of our own leaders into play.

BLITZER: All right.

Senator Obama, you want to respond?

OBAMA: Well, I think Dennis is right. I don't believe in assassinations, but Osama bin Laden has declared war on us, killed 3,000 people, and under existing law, including international law, when you've got a military target like bin Laden, you take him out.

OBAMA: And if you have 20 minutes, you do it swiftly and surely.

And it's unfortunate that I think during the initial push into Afghanistan that we let him slip away because we were distracted.

One thing that I want to talk about with respect to both Pakistan and the various problems in the region, including Iran: Our presence in Iraq is weakening our capacity to deal with these issues and fanning anti-American sentiment in such a way that it makes it more difficult for Musharraf to work with us effectively.

If people in Pakistan believe that the U.S. is an occupying force, it makes us more subject to the kinds of difficulties that we're seeing in Pakistan today.

BLITZER: I want everybody to raise their hand and tell me: If you agree that if the U.S. had intelligence that could take out Osama bin Laden and kill him, even though some innocent civilians would die in the process, would you, as president, authorize such an operation?

BLITZER: If you would, raise your hand.

BIDEN: It would depend on how many innocent civilians...

CLINTON: Yes, I mean, part of this is one of these hypotheticals, Wolf...

EDWARDS: There's not information, not enough information.

CLINTON: ... that is very difficult to answer in the abstract.

You know, my husband actually tried to take out bin Laden. You know, he did fire missiles at a training camp that we had intelligence that that's where bin Laden was.

Because, by that time, bin Laden had already bombed our embassies; bin Laden had already demonstrated his hostility toward the United States.

But you can't just -- you have to be very careful about how you proceed.

So, you know, yes, if we could do it without a tremendous amount of collateral damage, I think, maybe with one or two exceptions, we would give the order to do it, knowing what a weighty responsibility that is.

BLITZER: All right. We're going to go on to the next question, from Jennifer.

Senator Edwards, you really want to weigh in.

EDWARDS: I just wanted to answer the original question that was asked, which was, how do you reconcile Musharraf being in power with our ideas of a liberal democracy?

And I think one of the things we have seen, during the course of the Bush administration, is America is not for any possible kind of democracy, we're for democracies that respect the rights of minorities, that actually respect civil rights and individual liberties.

EDWARDS: And one danger that anyone has to recognize with the possible taking down of Musharraf as the president of Pakistan -- and I met with him also in Islamabad a few years ago -- one of the things we have to recognize is if he goes out of power, given the power of radical Islam in Pakistan, there's absolutely no way to know what kind of government will take its place.

BLITZER: And Pakistan's a nuclear power also.

Jennifer, go ahead.

VAUGHN: Jeff Turiel (ph) is here with us tonight.

You are a psychologist at Nashua High School. Would that be Nashua North?

QUESTION: Nashua North; that's correct.

VAUGHN: What's your question tonight?

QUESTION: I would like to address the crisis in Darfur. At this time, as many as 400,000 people have been killed, millions or more are without food and shelter. If you were elected president, would role do you think the United States should play in addressing this terrible tragedy?

BIDEN: Wolf?

BLITZER: Yes?

BIDEN: I just was there.

BLITZER: Go ahead, Senator.

BIDEN: You know, we have to stop talking about it. A lot of talk goes on about it. The United Nations has already said they're prepared to put in a 21,000 force, including the African Union.

BIDEN: In fact, you have in the capital of Sudan the government saying, "We're not going to allow that to happen." They have forfeited their sovereignty by engaging in genocide.

We should impose a no-fly zone if the U.N. will not move now. We should impose a no-fly zone, and we should commit 25,000 -- 2,500 NATO troops. You could take out the Janjaweed tomorrow.

I went there. I sat in the borders. I went in those camps. They're going to have thousands and thousands and thousands of people die. We've got to stop talking and act.

BLITZER: All right.

BIDEN: That's why last Monday I went to see the president of the United Nations at the General Assembly, as well as the secretary general, to make that point.

BLITZER: Raise your hand if you agree with Senator Biden that the United States should use military force to stop the genocide in Darfur.

CLINTON: Are we talking about a no-fly zone...

EDWARDS: Wolf...

(CROSSTALK)

BLITZER: Hold on. Hold on.

(LAUGHTER)

(CROSSTALK)

BLITZER: This is an important issue. This is an important issue.

(CROSSTALK)

CLINTON: Absolutely...

EDWARDS: Because you're talking about American troops.

CLINTON: ... an apology.

(CROSSTALK)

BLITZER: ... no-fly zone, but very often, Senator Clinton, that could move on to other operations.

CLINTON: Well, but, we're not going to engage in these hypotheticals. I mean, one of the jobs of a president is being very reasoned in approaching these issues. And I don't think it's useful to be talking in these kind of abstract, hypothetical terms.

RICHARDSON: Well, I was there...

(APPLAUSE)

CLINTON: I think that's...

RICHARDSON: But I was there.

BLITZER: Governor, would you use force to save people in Darfur?

RICHARDSON: No, what I would do -- and I was there. I got a very fragile cease-fire put together there, three months ago.

And we made things a little better. I want with the Save Darfur Coalition.

This is what I would do. Number one, more U.N. peacekeepers. The government is refusing to make this happen.

Secondly, economic sanctions. We've imposed them, but they're weak. We need European countries to make them happen.

RICHARDSON: Third, we need China, to lean on China, which has enormous leverage over Darfur. And if the Chinese don't want to do this, we say to them, maybe we won't go to the

Olympics. And lastly, what we need is a country, a foreign policy that cares about Africa, that cares that 300,000 human beings have died, have been massacred, that over 2 million have lost their homes.

BLITZER: All right.

RICHARDSON: Gender-based violence, rape. America should care about Africa, and we don't.

(CROSSTALK)

(APPLAUSE)

BLITZER: Hold on one second. What about that idea, Senator Dodd, about possibly boycotting the Beijing Summer Olympic games if China doesn't use its influence to stop the genocide in Sudan?

DODD: I think that goes too far, Wolf. Here, look. This is a major issue.

DODD: There are ways of dealing with this. We're not only going to elect a president in November of 2008. We're going to elect, arguably, the most important, if not the most important, leader in the world.

And it's going to be critically important that we use the tools available to us to exercise the influence we'd like on China, on Russia and other nations to be more cooperative and participate in solving some of these problems here.

That's going to require real leadership based on experience that knows how to bring people together -- certainly, reminding the Chinese of the importance of this issue -- utilizing those tools that are available to us.

But the idea that you go in and stop the Olympics from happening I don't think gets you there. I think that's more likely to delay the kind of influence and support China ought to be providing.

BLITZER: Senator Edwards?

EDWARDS: Actually, I disagree with my friend, Chris Dodd, about that. I think that we should use whatever tools available to us.

And I have to say to Senator Biden, Governor Richardson, I applaud their being so vocal and out there on this issue. It's enormously important.

But I think all of us recognize that this is a piece of a bigger puzzle, which is America no longer has the moral authority to lead in the world.

EDWARDS: Watching a genocide continue has contributed to that, but it is not the only thing. The spread of HIV/AIDS, I think America ought to actually lead an effort to make primary school education available to 100 million children in the world who desperately need it, including in Africa...

BLITZER: We're going to go back to Jennifer.

But go ahead, Senator Obama, very quickly.

OBAMA: Two things -- one, we are going to continue to see some of these problems in ungoverned spaces. We've got a security interest and a humanitarian interest in dealing with this. We've got to work internationally to figure out how we can get forces to stop genocides like this.

Second point, our legitimacy is reduced when we've got a Guantanamo that is open, when we suspend habeas corpus. Those kinds of things erode our moral claims that we are acting on behalf of broader universal principles, and that's one of the reasons why those kinds of issues are so important.

(CROSSTALK)

DODD: ... cancel the Olympics.

DODD: That's not a bad question. You asked the question.

(CROSSTALK)

DODD: I'd like to know how my colleagues would feel about it.

BLITZER: If you agree that the U.S. should consider boycotting Asian Olympics...

(CROSSTALK)

BLITZER: Senator Dodd says he doesn't think that's a good idea. If you agree that it might be a good idea, raise your hand -- if necessary.

BIDEN: Wolf, the reason we have no moral authority is we're not acting. I heard the same argument with Milosevic. I went over there, found out there was genocide going on, came to your husband. I said, "We must act."

Now, look, we acted. Not an American was killed. We saved hundreds of thousands of lives.

By the time all these guys talk, 50,000 more people are going to be dead. They're going to be dead. And I tell you, I guarantee you, we have the capacity by setting up a no-fly zone to shut down the Janjaweed. That's our moral authority. Exercise it.

(APPLAUSE)

OBAMA: Nobody disagrees with the no-fly zone...

BLITZER: I want to go back to Jennifer, but I have to ask Governor Richardson, you're a former ambassador at the United Nations, and what I hear you saying, what you're saying is that you would consider the United States boycotting the Summer Olympic Games in China unless China starts getting tough with the government in Sudan.

RICHARDSON: Yes, I would. Because China purchases a lot of their oil -- most of it, a good part of it -- from Sudan.

And my view is that they are a leverage point. And they have not been strong on the Sudan.

We don't need, Joe -- with all due respect -- another military involvement. Iraq is enough. And we must get out of Iraq.

What we need to do is move forward with the toughest options. Am I for a no-fly zone? Yes. I think we need strong economic sanctions. And we lack the moral authority to build international coalitions, to fight genocide in Darfur. We should shut down -- I would as first day as president, I would shut down Guantanamo. I would shut down Abu Ghraib and secret prisons. That is the moral authority that we don't have.

BLITZER: Hold on one second.

The audience is anxious for another question from out here.

Jennifer?

VAUGHN: Tim O'Connor is anxious.

VAUGHN: You're about to graduate from high school.

QUESTION: Yeah.

VAUGHN: Are you eligible, now, to vote, for the first time, in the New Hampshire primary?

QUESTION: I am. I'm 18 now.

VAUGHN: What's your question tonight?

QUESTION: Well, on a little bit lighter note, I spent last summer in Germany with a family whose oldest son was completing his one-year mandatory service to his country.

I was wondering if you think we should have that; and if so, how you plan to make it happen?

BLITZER: All right.

Senator Gravel, let me ask you that question.

GRAVEL: And obviously, I filibustered to force the end of the draft. I don't think we need it back.

If you want to volunteer for the military, you're entitled to do it.

I would like to see a voluntary program where young people would have an opportunity to render public service, whether it's in the military, whether it's the Peace Corps, whether it's the AmeriCorps, or all of the above; and therefore, every year that you serve, we'll give you four years of school free.

(APPLAUSE)

That will give you an incentive to move forward and do something about education in this country.

BLITZER: Congressman Kucinich, should there be mandatory service for young people after they finish high school?

KUCINICH: I would take the approach that John F. Kennedy took when he said, "Ask not what your country can do for you. Ask what you can do for your country," and inspire young people to want to serve.

And want to serve not only in the military, which is honorable service, but also to serve in helping to clean up our environment. Also to serve in tutoring children and helping the elderly and working in hospitals.

There are so many different ways that we can encourage you to serve. To make it mandatory loses the point. People want to love America again. And when you have a president who will inspire the young people, they'll want to get involved.

BLITZER: Is it time, Senator Dodd, as Congressman Charlie Rangel recommends, to bring back the military draft?

DODD: I don't think so, Wolf, at all. I served as a Peace Corps volunteer back in the 1960s, an American -- of course, I've been asked a million times why did I join the Peace Corps. And I did so because an American president asked me to. He asked a generation of us to be part of something larger than ourselves.

DODD: Some went off to join Vista; some got out into the civil rights movement; others went into the military; others went to the Justice Department. It was a very exciting time to be alive.

But today, in the world we're living in today, I don't think we need to go a draft at all. We don't need the numbers of people in the service.

But I like the idea, what we've tried to do with AmeriCorps and other things, to provide the kind of financial relief.

This young man is finishing high school. He's assumably going to go on to higher education.

I hope you are.

Looking at the staggering costs, the ripoffs that are occurring with people manipulating through deceit and fraud the student loan programs, I'd like to see us offer some real opportunities to you financially to give something back to your country. In return, we make it possible for you to get that higher education without incurring a lifetime of debt. That would be a valuable way of doing it in my opinion.

(APPLAUSE)

BLITZER: Thank you, Senator.

Jennifer, go ahead with the next question.

VAUGHN: What is your question?

QUESTION: Well, good evening, everyone.

My wife and I have two daughters, middle school age. And we do reasonably well financially, but the vast majority of our spare income goes toward funding our retirement, putting aside money for their college education.

QUESTION: And we don't have tax shelters.

We hear an awful lot about new spending -- all wonderful-sounding programs -- with the answer for funding being elimination of tax cuts that were geared toward the rich.

And I was wondering what the definition of rich is on the part of the candidates, but using, perhaps, an income level.

BLITZER: Senator Obama, what is a definition of rich?

OBAMA: Well, the definition that I'm using with respect to paying for my health care plan is those making over \$250,000 a year.

Keep in mind that all we're talking about is going back to the tax levels, the marginal tax rates that existed when Bill Clinton was in office. So we're not talking about going back to huge marginal rates.

OBAMA: But you tell a larger story that I hear as I travel all across the country. And that is that folks are feeling hit from all sides. They're trying to save for the next generation's education. They're trying to save for their own retirement. In some cases, they're looking after an aging parent. Gas prices are hitting them.

And one of the things that we've seen in our economy is that the burdens and benefits of this new global economy are not being spread evenly across the board. And that's why as the next president, one of my first priorities is to make sure that we institute some fairness in the system. We institute in our tax code.

BLITZER: All right.

OBAMA: We institute it with respect to making sure that Social Security is preserved.

We institute it in giving working people an opportunity to save where they don't have it right now.

OBAMA: And we make sure that, as Chris said -- I think Chris made an excellent point -- that college education is simply too expensive at this point.

BLITZER: So give us a number, Senator Obama. At what number would you tell us that there is lower taxes, at what number people can afford higher taxes?

OBAMA: I'm sorry. I don't understand the question.

BLITZER: Income at \$200,000 a year? \$150,000 a year?

OBAMA: As I said before, I would roll back the Bush tax cuts for those making over \$250,000. In some cases, I'd like to see lower taxes. When I was in the state legislature, one of the things that I introduced was a state earned income tax credit that provided millions of dollars of tax breaks to folks who can least afford it.

Keep in mind, my starting point is not how do I tax people. My starting point is are we spending the money that we have wisely, which we are not always doing. If you are progressive, you should be just as concerned by the huge spike in earmarks that have been taking place under the Bush administration as any so-called fiscal conservative is.

BLITZER: What is a "rich person," Senator Edwards?

EDWARDS: I don't know if I know what a rich person is. What I do for my health care plan is roll back the tax cuts for people who make over \$200,000 a year.

EDWARDS: So \$200,000 is the figure I use.

But I want to go to a piece of this question that you ask, which is, you talked about saving for your kids to be able to go to college. And we really haven't talked about that tonight. Just a quick idea.

College for everyone is something we've actually, Elizabeth and I, put in place in eastern North Carolina, in a small community in eastern North Carolina, and the idea is really simple. The idea is, if a kid graduates from high school qualified to be in college and they commit to work when they're there at least 10 hours a week, their tuition and books are paid for.

And the idea is, we want to make it simple for kids to go to college. They have to work for it. We don't just give it to them. And then, on top of that, so many young people are faced with this crushing burden of debt when they graduate from college. I think it's something we shouldn't just be doing -- we've done this privately in this small area of eastern North Carolina...

BLITZER: All right.

EDWARDS: ... but it's something we ought to be doing all across this country, college for everyone.

BLITZER: Thank you, Senator.

Jennifer, go ahead.

VAUGHN: This is Gregory Camann (ph), and Gregory lived in Bedford, and he used to own a hair salon. I'm going to reach around you and have you ask your question.

QUESTION: Our country's now running huge federal deficits again. I'm wondering, one, do the candidates have a problem with that? And if they do, what policies would they pursue, if they became president, to alleviate that problem?

And if you could be somewhat specific. Would you be looking for the income side, and what would those policies be, or would you be looking to the spending side, and talk a little bit about those policies. Thank you.

BLITZER: Governor Richardson?

RICHARDSON: Well, I'm a governor. I have balanced five budgets. I have to as a governor. In the Clinton administration -- I want to thank the senator for her nice words -- we had a

balanced budget and created 20 million jobs. This is what I would do: \$100 million from the war in Iraq spent on domestic needs.

Number two, I am for a constitutional amendment to balance the budget, a line-item veto and pay-as-you-go policies.

RICHARDSON: I would get rid of the close to \$30 billion earmarks that the Congress has.

I would also get rid of corporate welfare, close to \$70 billion. For instance, if you're a company, you get a tax credit -- a runaway tax credit -- to take jobs overseas.

I would also find ways to let insurance companies have cost controls, strong cost controls to reduce the deficit.

I would also take other steps and say that it is critically important that we also grow the economy. I'm a pro-growth Democrat. I believe if we grow the economy, for instance, this -- the two daughters of the young man, the young father over there. If we grow the economy 1.8 percent instead of the 1.3, the solvency of Social Security in the year 2045 would be resolved.

RICHARDSON: And I would be a president who would give incentives to companies that bring jobs over the prevailing wage, rural tax credits...

BLITZER: Thank you.

RICHARDSON: ... ways that we help the economy grow in the technology sector.

BLITZER: Thank you, Governor.

Congressman Kucinich, you know the Republicans will say what they're hearing, by and large, tonight is more Democrats suggesting raise taxes, raise spending, more of the same, the big tax, big spending party.

What do you say to them?

KUCINICH: I'm saying that we should not be borrowing money from China to run a war in Iraq. We need to change our spending policies in many ways.

First of all, stop war. Most of the people on this stage voted consistently to fund a war we should have never gotten into in the first place.

Change our trade laws. We need to get out of NAFTA and the WTO and go back to bilateral trade, conditioned on worker's rights, human rights and the environment and stop driving an \$800 billion trade deficit.

We need to have health care for all, all Americans, in a not-for-profit health care system.

That's going to help the gentleman with his beauty salon and his small business, when you have a chance to have health care at a fraction of what you're paying now and everything's covered.

And then finally, environment: I say we can create millions of new jobs with a new WGA (ph), inspiring technologies for wind and solar and insulation on a domestic basis.

We can create new wealth. I want to create new wealth and I want to stop wasting the money where we're wasting it or losing the wealth in our trade policies.

BLITZER: Thank you, Congressman.

Jennifer, you have an e-mail question.

VAUGHN: Yes, Wolf, if I may. This e-mail question is from our WMUR gather.com blogger.

The question is: Democrats have vowed to weed out corruption in the federal government. A major source of corruption for both Democrats and Republicans are bribes in spending bills, sometimes referred to as earmarks.

Would you vow, if elected president, to veto all bills containing earmarks?

And, Wolf, earmarks -- the pork spending that sometimes gets added to legislation without anybody really knowing about it.

BLITZER: Well, let's ask Senator Dodd. What about that? Would you agree to give up earmarks for Connecticut if you had your way?

(LAUGHTER)

DODD: Thanks, Wolf...

(LAUGHTER)

Well, listen, first of all, as president, we ought to be discouraging that behavior, because it is a problem. Clearly, the budget is getting out of control as a result of those practices.

But I wouldn't want to have a blanket approach to that. There may be some critical issues that occur -- events like Katrina and other events -- where the Congress needs to respond, you haven't gone through the process before. I wouldn't want to put us in that kind of a rigid straitjacket.

But, clearly, when you're going beyond that, we need to have more discipline in the process.

I've been a long-time supporter -- offered the first, one of the first pay-as-you-go budgets back some 23 years ago in the United States Senate -- the question that came up earlier about specific policies and ideas.

I think, with rare exceptions you ought to be able to have accounting for either the tax cut or the spending program and pay for them.

We've gone on too long allowing for these things to build and grow, and the deficits are a problem. Dennis is right: \$2.2 trillion of public debt being held outside the country.

The good news is that the Chinese are buying it. The bad news is the Chinese are buying it, because it puts us in a very disadvantageous position when it comes to arguing against currency manipulation.

So getting better control of our fiscal policies -- our fiscal policies ought to reflect our moral values. Our fiscal policies ought to be fair. They ought to be practical. They ought to be pro-growth. And they ought to be responsible.

BLITZER: Senator...

DODD: That's not happening when you have earmarks year-in and year-out and not having the kind of influence that would eliminate them except in those rare circumstances where you may need to have them.

BLITZER: Is it time to do away with these earmarks?

GRAVEL: Totally, totally. It's abominable, and the only way you're going to get rid of it is to give the president the line-item veto. Of course, they're not going to give the president a line-item veto. What we need to do is change the entire tax structure.

I want to point out that the comptroller general of the United States invited all the presidential candidates to come in for a briefing. I went in for a briefing. He said there was only two other people that came in for a briefing. What the briefing he told us is that we have a fiscal gap on the order of \$50 trillion. And you're hearing all this money's going to be spent to do all these great things? My God, don't believe a word of it. Follow the money.

You can't get all this money coming at you, millions of dollars from all the special interests, and think that they're now going to deal with solving the problems with special interests. Won't happen.

BLITZER: All right.

Senator Clinton?

CLINTON: Well, I think it's important to remember that six years ago we had a balanced budget and a surplus.

(APPLAUSE)

And we did that the old-fashioned way, by cutting spending and raising revenues. There is no free lunch. We're going to have to do that hard work again.

Now, my point is, when it comes to the tax questions that were asked, the benefits from the Bush tax cuts have gone disproportionately to a very small percentage of Americans. And 10 percent of Americans have realized about 50 percent of the increase in wealth that has happened in this country in the last six years.

We need to deal with the burden on the middle class. The alternative minimum tax has to be reformed, hopefully eventually eliminated.

But I think it's important to point out that we have done this before -- not in ancient history, but within our memory. And we can do it again once we have a Democratic president.

BLITZER: Thank you, Senator.

(APPLAUSE)

We're going to go back to Jennifer in a second. But I know Congressman Kucinich really wants to weigh in.

GRAVEL: Listen, they've been raiding the Social Security trust fund to \$200 million a year, and they're all involved in this.

Now what do they say about -- you balanced the budget by raiding the Social Security fund to \$200 million a year. And they're doing it now.

BLITZER: Congressman Kucinich, you want to respond to him?

KUCINICH: I do.

Because we're looking at a process here in Washington that most of the American public isn't aware of. And that is, these interest groups have such a hold on our country that right now they're headed to grab the oil of Iraq, using our troops. Right now, they're keeping a not-for-profit health-care system in its place. Right now, they're keeping NAFTA in its place. I'm talking about a real change here that gives the American people a chance to recover their country totally and by moving away from the interest groups...

BLITZER: All right.

KUCINICH: ... that unfortunately support some of my dear friends.

BLITZER: Senator Biden?

BIDEN: Ten seconds. If you want to do away with the interest groups, go to public financing of elections. Let's cut through all this malarkey.

(APPLAUSE)

BIDEN: That is the bottom line. As long as there are massive contributions pouring into the system, you're going to get these earmarks in the middle of the night that have nothing to do with the people's interest.

So you want to do this, reform the system. Make a public financing system. That will change the earmarks.

BLITZER: Thank you, Senator.

Let's go back to Jennifer.

VAUGHN: OK, Wolf.

We have Ivy Merrill with us tonight. You are a substitute elementary schoolteacher.

QUESTION: Yes, I am.

VAUGHN: What's your question tonight?

QUESTION: Well, thank you for being here.

Given that the circumstances in this country and in our world were essentially the same when you take office, what would be your top priority for your first 100 days?

BLITZER: Senator Edwards?

EDWARDS: To travel the world, re-establish America's -- I think my mike just came on -- re-establish America's moral authority in the world, which I think is absolutely crucial. The other things become less important and subservient.

We have huge issues here at home. We've talked about some of them tonight -- energy, global warming, what we do about the issue of health care in America, the poor, which we haven't talked about, unfortunately.

But, the single greatest responsibility of the next president is to travel the world, speak to the world about what real American values are -- equality, diversity -- and to lead an effort by America to re-establish our alliances around the world, which is going to require time and focus.

And then, third, to lead in taking action that demonstrates that America is strong but that America is also moral and just. And we're going to help other people in the world and we're going to demonstrate our commitment to humanity.

All those things...

BLITZER: All right.

EDWARDS: ... are crucial to re-establishing our moral authority.

BLITZER: I want to go very quickly to everyone.

What would be, Senator Clinton, your top priority in the first 100 days?

CLINTON: Well, if President Bush has not ended the war in Iraq, to bring our troops home. That would be the very first thing that I would do.

(APPLAUSE)

BLITZER: All right.

Senator Obama?

OBAMA: That would be the number one priority, assuming nothing has changed. The second priority is getting moving on health care because that's something that we can get done, I think, very quickly.

BLITZER: All right.

Governor Richardson?

RICHARDSON: Nobody's talked about your profession, education.

I would upgrade our schools. I would have preschool for every American, full-day kindergarten.

I would pay our teachers what they deserve. I'd have a minimum wage for our teachers, \$40,000. I did that in New Mexico. We went from 49th to 29th.

I would bring science and math academies to get America more competitive. I would emphasize the arts. I would emphasize civics. Again, science and math.

I would have universal education...

BLITZER: Thank you.

RICHARDSON: ... available for every American.

BLITZER: Thank you, Governor.

Senator Biden, your top priority in the first 100 days?

BIDEN: I would end the war in Iraq and immediately move to defuse the possible war in Iran and immediately defuse what's going on, on the Korean Peninsula.

They're the three most important things that the next president is going to have to deal with.

And by the way, when power is handed from this president to the next, the next president is going to be left with no margin for error. They better be smarter than their advisers.

BLITZER: Congressman Kucinich, what would be your top priority?

KUCINICH: Keep in mind, we could stop that war in Iraq now by not providing any funding. But what I intend to do is to be a president who helps to reshape the world for peace -- to work with all the leaders of the world in getting rid of all nuclear weapons, rejecting policies that create war as an instrument of diplomacy, making sure that we cause the nations of the world to come together for fair trade, cancel NAFTA, cancel the WTO, go back to bilateral trade conditioned on workers rights and human rights, create a not-for-profit health care system (inaudible) a Congress.

BLITZER: Very quickly, Senator Gravel and then Senator Dodd, but very quickly: Your top priority?

GRAVEL: Top priority is to turn to these people and say they are part of the leadership right now in the Congress. They could end the war if they want to. All they've got to do is show the leadership and they will...

(CROSSTALK)

BLITZER: Senator Dodd, very quickly. We've got five seconds.

DODD: Well, I'd kind of restore the constitutional rights in our country. This administration has done great damage to them. I would do that on the first day. I wouldn't wait 100 days on those issues.

BLITZER: We've got to leave it right there. We're going to leave it right there. This brings to an end our debate. Be sure to join us Tuesday right here on this same stage for a debate involving the Republican candidates for president of the United States.

Our next Democratic debate, by the way, will be a revolutionary approach to campaign debates. It will be held on July 23 from Charleston, South Carolina, in partnership with YouTube and Google. You're going to want to see that debate as well.

END

